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### Individual production of social well-being

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*Document Version*

Publisher's PDF, also known as Version of record

*Publication date:*

2001

[Link to publication in University of Groningen/UMCG research database](#)

*Citation for published version (APA):*

Bruggen, A. C. V. (2001). *Individual production of social well-being: an exploratory study*. [S.n.].

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# CHAPTER TWO

## THEORETICAL EMBEDDING: QUALITY OF LIFE STUDIES' CORE CONCERN

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### 2.1. Introduction

In the previous chapter, several questions and difficulties were discussed concerning the concepts of 'quality of life', subjective well-being and happiness, as well as concerning the hope to find systematic relations between some objective conditions and these subjective perceptions. The curious lack of actual knowledge and conceptual clarity about these concepts which yet are so familiar to most people have been illustrated with statements of a set of eight Dutch adults: eight very different individuals, living in very different situations, pursuing idiosyncratic goals, yet having also some strivings and values in common.

The present chapter is intended to explain the positioning of the main problems and debates concerning quality of life and subjective well-being in the relevant theoretical literature, and to provide an analytical assessment of the main problems that should be tackled with priority in order to achieve progress in quality of life studies.

In section 2.2. we will do some sightseeing in the exciting terrain of quality of life studies. This field of research will be explored, its borders will be sketched, its core business identified, its history referred to, and we will pause to consider some of its most interesting landmarks during this tour. Following the initial acquaintance, a critical assessment will be given of the state of the art in the field of quality of life research. Special emphasis is put on the question to what extent the two main branches in the field have thus far been able to deal with the central concern of quality of life research. It will be found then that the core problem which quality of life research has not yet been able to solve concerns the relation between subjective well-being and objective circumstances and actions. In section 2.3. the six main approaches in quality of life studies will be discussed and evaluated according to how well they are able to cope with the field's core concern. This survey leads to the diagnosis that none of the current approaches in quality of life studies is sufficiently equipped to deal with the core concern. Section 2.3. ends with an argument for the necessity of using a theory of human goals combined with a theory of agency (that is, a theory explaining the process through which goals are attained) to solve this problem. This need for a theory of human goals and of the process underlying goal attainment then leads us, in section 2.4., into the realm of rational choice sociology. In the rational choice approach, theorists start out from the basic assumption that people behave rationally, that is, in a way that best serves their interests given

the restrictions they face. This basic assumption centers around the same process that in quality of life research is still a black box: namely the process through which objective conditions affect subjective well-being, life satisfaction or happiness. After concisely explaining the main features of the typical explanatory model in the rational choice approach, I will proceed to assess to what extent this approach offers what we came to look for. It will then appear that very thing we are looking for, a theory of human goals, is also wanting, or at least problematic, in the rational choice approach.

This being the case, the next step in our quest involves an excursion into the theories of human goals that can be found in various sociological and psychological disciplines. This will be undertaken in section 2.5. The main theories of human goals that we find to exist in the literature are screened there with regard to the extent to which they match the requirements established by both our initial aim (i.e. to contribute to theory formation in quality of life studies) and by the approach we have chosen to take (i.e.. the rational choice approach). In section 2.6. the main insights gained in this chapter will be summarised, culminating in a - sharply focussed conclusion concerning the theory that is wanting in quality of life research and concerning the possibilities to fill this void. The chapter ends with the assertion that Social Production Function theory is one of the better suited candidates to eventually fill the void in quality of life studies, but that this theory is at present not sufficiently elaborated to do this job.

## 2.2. Exploring the field of quality of life studies

### 2.2.1. FIRST IMPRESSIONS

#### *Definition and delineation of the field of quality of life studies*

Quality of life research is a field of study that is usually not clearly defined, and, judging by the criterion whether certain researchers and authors consider themselves to be part of this field of study or not, considerable variation can be found regarding its delineation. Some authors refer to the field of quality of life studies as comprising also the social indicators movement, marketing studies, political economy, and certain branches of human ecology. Other authors define the field in a much narrower sense, restricted to include little more than research on subjective well-being. Obviously, the different views of what quality of life studies comprise, reflect different views of what the concept ‘quality of life’ refers to and how it should be defined. Different interpretations of the term ‘quality of life’ range from equating it with purely subjective ‘happiness’ to interpreting it as a set of objective, material (and / or social) living conditions which assumedly facilitate or hinder ‘a good life’.

Because of the lack of consensus, I feel free here to delineate the field of study - according to my own preferences - quite broadly. In my view, the field of study might be defined to comprise all theoretical and empirical research dealing with any of the following questions: What constitutes ‘a good life’, ‘subjective well-being’, or ‘happiness’? How do quality of life or any of its components come about? What are the facilitating and restricting conditions for the attainment of this? What norms should be observed considering the equity of the distribution of quality of life? And what are the consequences of differences in quality of life<sup>1</sup>?

These questions are tackled by theorists and empirical researchers from many different disci-

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<sup>1</sup> The term ‘quality of life’, then, is used in this book in an equally broad sense, to refer to ‘the quality of a person’s life as it is lived’, which comprises both living conditions and (resulting) happiness or well-being.

plines alike, and therefore the field of quality of life studies has a highly multidisciplinary character.

It comes as no surprise that the different disciplines concerned with quality of life studies vary widely with regard to which questions and which part of the problems are emphasised. And consequently, there is much variation between disciplines in the extent of knowledge and theoretical elaboration about different aspects of well-being or quality of life. This seems to be the main argument in favour of a preliminary broad delineation of the field, to include all disciplines and research programmes concerned with questions regarding 'quality of life', as each discipline involved may have much to gain from the more advanced knowledge on some aspects that other disciplines can offer<sup>2</sup>.

Even though the field of quality of life research is very broad, it is possible to indicate which are the core issues in the field and what are more peripheral or derivative concerns. I hold the main issue in quality of life studies to be the relation between objective or external conditions and subjective well-being, satisfaction or happiness. Insight in this relation forms the foundation for much governmental policy, whether economic, social, environmental or other; beliefs about this relation also form a powerful explanatory factor for human behaviour in all realms of life (that is, if one accepts the assumption that people usually seek well-being). Thus, subjective well-being is, either implicitly or explicitly, the ultimate goal or evaluative criterion for much governmental, organisational and individual behaviour. The investigation of whether and how particular factors affect subjective well-being has therefore high practical relevance. Moreover, in the absence of thorough insight in the determinants of subjective well-being, it is not difficult to manipulate both evaluations and arguments for the legitimisation of particular policy interventions. A good understanding of what set of living conditions affect subjective well-being, and in what way, provides a defence against opportunistic use of policy arguments.

All other issues in the field of quality of life research can be considered either to follow from this central concern, to be subservient to it or to deal with the application of gained insights. Such derivative concerns or specific applications are, for example, measurement issues (social indicators, how to monitor quality of life), social accounting (how to weigh different indicators into indexes and, possibly, how to forecast future developments of quality of life), psychological research (psychological processes involved in perception and cognition of well-being), application of quality of life measures in decision making on the allocation of health care budgets (cf. Albrecht & Fitzpatrick 1994), evaluation criteria for social policy (e.g. policy for social activation of the long-term unemployed, cf. Van Bruggen 2000), et cetera.

#### *History and development of the field of quality of life and subjective well-being research*

Although the questions that are dealt with in quality of life studies are by no means new - one need just think of ancient philosophers and of the utopists from the Middle Ages to realise this - the interest in the subject has markedly revived in recent decades, beginning in the 1960's. Several factors may be held responsible for this marked revival of the interest in quality of life

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<sup>2</sup> In fact, based on this idea, a multidisciplinary international society for quality of life studies, the ISQOLS, was founded in 1995, organizing a platform (through yearly conferences, an Internet discussion group and active informal networking) for cooperation and mutual exchange of ideas between quality of life researchers from all disciplines. After the first five years of its existence, it seems that this society indeed fills a need for many of the researchers on this subject.

and social indicators.

Firstly, in affluent industrial societies, the majority of the population no longer needed to struggle to keep above the subsistence level. With the increasing affluence in these highly developed countries, doubts began to be raised about economic growth as societies major goal. The conviction began to grow that further economic growth would not automatically lead to increased human well-being. At the same time, the threat of environmental depletion began to be perceived and was seen to point to the eventual boundaries to further economic growth. The tension between ever increasing (individual and aggregate) productive capacity and simultaneously growing doubts about the desirability of further expansion of production, raised new questions about the objectives that should guide economic and societal efforts. In the initial phases of the 'social indicators movement' optimism about the feasibility of 'guided social change' gave an extra impetus to the attempts to develop indicators for societal well-being and quality of life. Although the optimism about social engineering has by now declined, the need for other than economic indicators is still sharply felt (UNDP 1991). In more recent years, the proceeding globalisation of markets and policies (*ibid.*, p.10) and - in some countries, amongst which the Netherlands - the economically driven dismantling of the welfare state (cf. the discussion in Veenhoven & Ouweneel 1995) also indicate the need for a broadly accepted set of indicators for quality of life in a society, that can complement economic evaluation criteria.

In the late 1960s and the 1970s, some landmark studies were published which are by now considered to be 'classics', such as Bauer (1966), Campbell & Converse (1972, 1976) and Andrews & Withey (1976). They were followed by a hausse of empirical and theoretical work on social indicators, social well-being and quality of life which does not yet seem to have reached its peak. The theme of social well-being or quality of life reporting became conventional in UNDP reports and national monitoring, and several journals on the subject have become well-established (the most important of which are Social Indicators Research and SINET - Social Indicators NETWORK news). The field also found its niche in the 'Working Group on Social Indicators and Social Reporting' of the International Sociological Association.

Despite all these efforts however, the state of theorising about quality of life still resembles that of a field in its initial stages: there is still much debate about the conceptualisation of the main subject, there is only a small fraction of theory or empirical knowledge about which consensus exists, and - less depressing and more exciting than these two facts - the field, the theories and the insights are at present still in an astoundingly rapid and continual development.

*Recent overviews of the state of the art in quality of life studies and subjective well-being (SWB) research*

Because of the diverse and multidisciplinary character of all research that is comprised under the label of quality of life studies, it is proportionally difficult to assess the present state of knowledge in 'the field'. Still, some highly informative overviews of the present insights about quality of life and its determinants and preconditions have recently been published by distinguished researchers (e.g. Diener et al. 1999; Offer 1996; Land 1996).

Diener et al. give a comprehensive account of the progress that has been made in subjective well-being research over the past three decades, taking a largely psychological perspective, but also borrowing from relevant studies in other disciplines. Summarising their main

conclusions, Diener et al. observe that 1) much, mainly cross-sectional, empirical evidence has been gathered, which has mainly shown that the empirical relationships between personal and situational characteristics at the one hand and components of subjective well-being at the other are far less simple and straightforward than leading studies from the 1960s suggested; 2) it has become clear that the concept of subjective well-being consists of several separate components, namely positive and negative affect and cognitive life satisfaction; 3) the research efforts of recent decades have led to the identification of a number of theoretical issues and empirical problems that seem relevant and promising for further investigation; and 4) much of the major questions regarding subjective well-being and its determinants are yet unsolved, such as the causal direction of the correlates of SWB, the interaction between internal factors like personality traits and external circumstances, the processes underlying adaptation, and the differential influence that input factors have on the components of SWB (Diener et al. 1999, p. 277).

Land's (1996) overview of the state of the art is written from a slightly different point of view, namely from the perspective of social indicators research rather than from a more general psychological perspective like Diener's. Land spends little attention to the psychological processes underlying the perceptions and cognitions of quality of life, and concentrates instead on the achievements in monitoring the quality of life effects of social and societal change. His diagnosis of the state of affairs largely coincides with the general impression described in this section. Two interesting observations Land makes are worth mentioning here. Firstly, he describes that the period of seeming stagnation in quality of life studies and social indicator research, which occurred from the end of the 1970s to the mid-1980s, proves, when looking back at it from the present, rather to have been a period of consolidation in which social reporting and social monitoring have become regular and well-organised activities in many countries (ibid., p.6). Secondly, Land observes that in the mid-1990s, social indicators have not conquered the role they were initially believed to receive in social planning and guided social change, but yet they have gained considerable influence in terms of placing social well-being or quality of life issues on the political agenda and supplying material to the media and the public debate. This 'more realistic' view of the role of quality of life research is aptly expressed by the term 'model of enlightenment' (Land 1996, p. 6; cf. Noll & Zapf, 1994, p. 11).

Land identifies five topics as most relevant for social indicators research in the next few years, namely the collection and analysis of longitudinal data (this priority he shares with Diener et al.); the application of social accounting and modelling within substantial policy fields; the development of prospective social reporting; the assessment and evaluation of recent efforts to construct summary indices (such as found in the UNDP 1994 and Diener 1995); and finally, the harmonisation of different national reporting systems and further development of international reporting systems and international comparative quality of life studies (ibid., p. 6,7). Though indisputably very important, these 'priorities' for the immediate future are very vague and exclude but little.

Offer, in the somewhat kaleidoscopic *In Pursuit of the Quality of Life* (1996), presents contributions from ten different research programmes in the field, each representing a different perspective. His book covers the main research programmes and disciplines involved in quality of life studies, and gives an up-to-date impression of the state of the art in the field. As far as I know, Offer's book is unique in being so comprehensive, and the separate chapters

of the contributing authors confirm that there is only limited communication, co-operation and exchange of ideas between the different perspectives or research programmes. However good an introduction to the broad field *In Pursuit of the Quality of Life* presents, it could not possibly include work from all leading figures in quality of life studies. It does for example not contain contributions from Sen, Diener or Csikszentmihalyi, to name but three of the most renowned scholars from different disciplines. Yet the important work from all leading researchers and theorists is covered at least indirectly in the contributions of their contributing colleagues.

### 2.2.2. UNSOLVED DIFFICULTIES IN QUALITY OF LIFE STUDIES: COPING WITH THE CORE CONCERN

In section 2.2.1., I have identified what I consider to be the central concern of quality of life studies, namely to establish and investigate how objective living conditions and other factors that are open to human intervention affect subjective well-being. The present section concentrates on the progress that has been made and the approaches that have been taken in trying to deal with this core concern of quality of life studies.

The first crude conclusion when perusing the literature on quality of life is that despite impressive research efforts, consensus has not yet been reached about content, adequate indicators and main determinants of ‘quality of life’.

The most broadly accepted set of indicators for quality of life would probably be that which is used by the United Nations Development Program (e.g. UNDP 1994) for ranking nations according to the quality of the living conditions they provide, the so-called Human Development Index (HDI). Surely, the Human Development Index is generally seen to provide relevant and valuable information, but its use is restricted to specific information needs and to specific countries. The HDI does provide an index measure that adequately reflects differences between countries and developments of countries over time on the basis of three index components: national income (with some weighting to capture the diminishing marginal returns to income), educational attainment (indicated by adult literacy and mean years of schooling) and life expectancy. As can be expected, the HDI discriminates well between poor or underdeveloped countries at the one hand and highly developed countries at the other, and to that extent the global country rankings it produces are uncontested. The precise ranking of countries within the two groups (well-off versus poorly-off countries), however, meets much more criticism and opposition. For example, when comparing the quality of life in the Netherlands with that in Sweden, Germany or Great Britain, the relative ranking of these countries is much more dependent on the specific conceptualisation of quality of life and the relative weights attributed to its component parts, than when comparing the Netherlands with a third world nation<sup>3</sup>.

Another limitation to the use of the HDI is that it is largely based on indicators of living conditions at the country level. The instrument is hardly adequate for comparing the quality of life of different groups or categories of people within a country, even though most quality of life researchers are aware that the well-being of different categories of people in a society can differ vastly, partly because of unequal access to resources such as education, health care,

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<sup>3</sup> See also the discussion in Chapter 1 about the relation between economic welfare and subjective well-being or quality of life.

public employment, housing, transportation et cetera. Moreover, the three indicators on which the HDI is based can hardly be supposed to cover all relevant aspects of quality of life, such as (political) freedom, (opportunities for) social well-being and so on. Notwithstanding the nontrivial progress achieved with the Human Development Index, there thus remains much work to be done in measuring and monitoring living conditions pertaining to 'quality of life'.

Apart from the nature of the quality of life concept (which has the pretension to represent people's dearest values and most heartfelt concerns), which makes the aim of reaching consensus about it a difficult affair from the start, the limited success in finding at least an approximately satisfactory set of indicators for quality of life seems also partly due to the approaches that have been taken. Although there have been numerous different approaches, they can all be categorised in two main branches. These two main branches, which Land (1996) labelled as objective versus subjective, generally coincide with a focus on respectively a nation- or aggregate and an individual level of analysis, and lack a theory linking the levels. In the first branch of quality of life studies, comprising the objective approaches, objective living conditions (often at a macro level) are measured and used as indicators for quality of life. The objective branch is found in most social indicator programmes at the national or international level (national policy councils, the United Nations, the OECD, et cetera). General practice in these programmes is to choose the optimal available or feasible measures for either output or performance in relevant policy fields (Henderson 1974; UN 1989; UNDP 1991) and use these either separately or combinedly as an index to indicate quality of life.

The selection of indicators and their interpretation is however not backed by a consistent theory that explains how objective living conditions are linked to individual subjective well-being. For many of the indicators that are frequently used, their relevance for general subjective well-being is just common sense; it is, for example, seldom contested that there be a positive effect of health care provisions and free schooling on quality of life, even though theoretical foundations for these relations might not be so easily constructed. There are, however, also many indicators with less face validity as indicators of well-being or quality of life (for example the indicator of science graduates as percentage of total number of graduates, the number of radios per capita or the social security benefits expenditure), and as soon as it comes to the relative weight of objective indicators or to their impact on individual quality of life or subjective well-being, the limitations of the objective approach become visible. Although indicators of this type are certainly useful for general comparisons between countries, and also for comparisons over time within certain policy fields within countries, they are ultimately not satisfactory as social indicators for quality of life, because they are not systematically related to individual well-being.

A number of problems regarding the use of measures of objective conditions in certain policy fields as indicators for individual well-being can be distinguished. Firstly, the relation of input-indicators<sup>4</sup> to individual well-being is obviously unreliable and weak, as this strongly depends on the efficiency with which the inputs are used. Secondly, there is no sound theory on how performance in certain policy domains relates to individual well-being. Thirdly, even if a positive relation between performance in specific policy fields and individual well-being is assumed, no insight in substitution effects exists. That is, within policy fields there are

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<sup>4</sup> I.e. indicators reflecting the input of resources into social policies or collective provisions such as health care, safety (police), infrastructure et cetera.



mostly only ad hoc notions about how alternative means or resources can compensate for or substitute one another, while between fields there is no notion at all whether or how an improvement of conditions in the one field can make up for a deterioration of conditions in another field. (What would for example be the net effect on quality of life of a policy in which government spendings on health care are increased with 4 percent and government spendings on education or safety decreased with 2 percent?). Fourthly, it is unknown whether the selected indicators indeed cover the most relevant factors that constitute individual well-being, and what proportion of individual well-being depends on the policy fields-related measures that are used as quality of life indicators.

The second branch in quality of life studies, comprising the subjective approaches, is found with researchers and research groups that concentrate on measuring individuals' subjective well-being or subjective evaluation of their life quality (e.g. Veenhoven 1984; 1994; 1995; Andrews and Withey 1976; Campbell, Converse & Rogers 1976; Michalos 1991; Schulz 1995; and many others). Partly because of the shortcomings of the objective approach (cf. Diener & Suh 1997), these authors advocate the measurement of subjective evaluations of quality of life at the individual respondent level (although of course for comparing communities or nations, these individual scores are aggregated to e.g. a nation mean score for happiness). Increasingly sophisticated methods and measures for assessing individual subjective well-being, happiness and satisfaction with life have been developed since the 1960s. By now it has sufficiently been shown that the conventionally used measures have adequate psychometric properties.

The empirical research on happiness and subjective well-being has provided a large amount of valuable data, which have given cause to adjust and qualify many formerly held beliefs about the relation between objective conditions and well-being (see e.g. Veenhoven & Timmermans 1998, for the qualification of assumptions concerning the relation between economic performance and subjective well-being; or Veenhoven 1994). This qualification of many crude assumptions about what would make people happy is indeed no small accomplishment of this subjective approach, but simultaneously with proving that the objective social indicators approach is not satisfactory for studying quality of life, this must of course also lead to the conclusion that the subjective approach alone cannot suffice either.

What still lacks is a theory that can explain differences (and even more puzzling similarities) in life satisfaction from the individual's life situation. The empirical relation between subjective evaluations of quality of life and objective conditions is often studied (e.g. Veenhoven 1984; 1995), but results are seldom unequivocal<sup>5</sup>. Even where in individual cases subjective quality of life is found to change when specific objective conditions change, the relation between these specific objective conditions and life satisfaction is hardly ever replicated when comparing groups living under the various conditions. And even where on the individual level specific changes in a particular life condition can be shown to improve quality of life, it is not clear whether the effect will last and what the combined effect of multiple changes in living conditions will be. Moreover, statistical correlations as found in empirical

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<sup>5</sup> In Veenhoven (1994) metadata on 'correlates of happiness' are presented. Correlations of varying strength between 'life satisfaction' or 'happiness' and objective conditions are found. However, without theoretical arguments for the selection of predictors and hypotheses about where correlations are expected, and of what sign, interpreting these data is risky. Furthermore, it reveals nothing of the multivariate causality.

data may or may not be spurious; one can not tell definitely in the absence of a theoretical model of how subjective well-being is brought about. Thus, without a theory explaining how the combined relevant living conditions ‘determine’ individual subjective quality of life, no measurement of subjective quality of life has practical applicability for evaluating social policies or the development of society.

In fact, the research into subjective well-being and its ‘correlates’ (Veenhoven 1994), seems to have focused solely on subjective well-being as a *state*, and has not considered the *agency* aspect of well-being. That is, it appears that the process through which subjective well-being is attained and maintained at the individual level, has hardly been included in the investigation of its outcomes. Yet I believe that only through opening the black box of the *agency* part of subjective well-being we will be able to understand how complex combinations of conditions affect the eventual subjective *state* of well-being.

The observation that, in quality of life research, a theory explaining how subjective well-being and objective conditions are related is still wanting, is shared by several authors in the field (cf. Zapf 1987, p. 7-8). Accordingly, several approaches have been tried to develop such a theory explaining individual appreciation of quality of life. In the following section, I will discuss the main different approaches in quality of life studies over the past three decades, which have sought to establish, at the level of individuals, a causal link between objective conditions and consequent subjective well-being. In discussing these various approaches, I will assess their respective strengths and weaknesses and derive from these a set of criteria or requirements that seem necessary for a successful theory relating subjective well-being to objective conditions in an agency perspective.

### **2.3. Six approaches in Quality of Life studies: how do they cope with the core concern**

Below I will discuss the following approaches: Andrews & Withey’s (1976) bottom-up approach of life satisfaction, using satisfactions with *life domains* on several *criteria*; the *time-use* approach, with as outstanding examples Dow & Juster (1985) and Heady & Wearing (1992); *multiple discrepancies theory* (Michalos 1991); Schulz’s (1995) *resource theory*; the *Basic Needs approach* of Fei, Ranis & Stewart (1979; Stewart 1985, 1996); and Sen’s (1985) *capabilities* and *functionings* approach.

Of course there are many other approaches that touch upon the same subject matter as these six. In selecting the main relevant approaches to be discussed in this section, I took only approaches from within the field of quality of life studies, leaving aside other possibly interesting approaches that have thus far only been used in other fields. From the ‘quality of life’-theories I then sifted out those approaches which, in some way and at least to some extent, relate subjective well-being and objective conditions. These two ‘filters’ explain why I do not go into, for instance, values studies (such as the work of Rokeach 1979 or Namenwirth & Weber 1987), nor into theories of mood and affect (e.g. Russell & Barrett 1999; Cacioppo et al. 1999) which do not include any link to objective conditions such as material resources or concrete activities.

Before proceeding to the discussion of these approaches, there is however one other approach that deserves mentioning, namely Veenhoven’s (1996) ‘happy life expectancy’ approach. This approach does establish a link between the branch of quality of life studies that concentrates on objective indicators and the branch focussing on subjective well-being, although it does in

fact not concern the mechanism or process through which objective resources and restrictions are converted into subjective well-being, i.e. the agency aspect of well-being. Veenhoven's (1996) 'happy life expectancy'-indicator attempts to achieve a synthesis between objective and subjective indicators of quality of life in a different way. It proposes a nation-level indicator obtained by multiplying the average life expectancy in a nation by the average score on Veenhoven's happiness-measure, thus denoting the average expected number of happy years for a person in the nation under study. This measure is intuitively appealing, and certainly seems an improvement as compared to purely subjective or objective indicators. However, due to its foundation on life expectancy estimates, its usefulness is restricted to inter-nation comparisons. Also, it does incorporate both an objective and a subjective component, but in the 'happy life expectancy' indicator, both components are output factors, and the approach does not provide clear handles to identify the relevant input factors; thus its informative and guiding potential to policy making is restricted.

### 2.3.1. THE ANDREWS & WITHEY APPROACH: BOTTOM-UP DETERMINED SUBJECTIVE WELL-BEING

With the publication of *Social Indicators of Well-being: American's Perception of Life Quality* in 1976, Andrews and Withey reported on what may be considered the first comprehensive investigation of the level and structure of subjective well-being on a nationwide scale<sup>6</sup>. Since its publication, the book is not only been used for questionnaire items by many researchers, but it still is one of the leading works in the field with regard to the argumentation it provides for social indicators research as well as to the exemplary design of the study. The richness of the Andrews and Withey data is still admired by many beginning researchers.

Andrews and Withey started out with a broad set of rather basic exploratory questions about well-being: what exactly are its components, how do these relate to one another, combine, change over time, and vary across social, cultural, geographical groupings.

“After gaining knowledge about these matters, one would be ready to begin exploring the causes, and the effects, of differences in well-being” (ibid., p. 7).

Although they restrict their own efforts to the problem of developing and selecting subjective indicators, namely measures of *perceived* well-being, they strongly stress the importance of combining objective (or in their terminology ‘externally based’) indicators and subjective (or ‘internally based’) indicators of well-being if policy implications are to be derived.

To answer the basic research questions, Andrews and Withey resorted to an exploratory design. After extensive consulting of literature on human goals and life concerns, they drew up a list of some eight hundred possible human goals and life concerns, which they carefully condensed to a list of about sixty concern items. These were used for a first investigation of their importance and clustering on a representative sample of Americans. Gradually, redundant items were removed, troublesome items rephrased and some initially left out items were added, until a list of 123 items tapping life concerns was accepted. The items were used in four national sample surveys, one local survey and re-interviews of a sample of respondents

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<sup>6</sup> The equally ‘classical’ *The Quality of American Life: Perceptions, Evaluations and Satisfaction* by Campbell, Converse and Rogers appeared just before, also in 1976. As in fact there was cooperation of some degree between both studies, it is neither very clear nor important which of these excellent studies was actually the first. For reasons of space, I only discuss the Andrews and Withey study here.

of one of the national surveys (total n=5422), complemented by another national survey conducted by Campbell et al (1976). Additionally, Andrews and Withey conducted a series of exploratory interviews with a small set of heterogeneous individuals.

This enabled Andrews and Withey to construct a map of the main life concerns, which intends to depict how “people organise their perceptions of well-being”: how the life concerns fit together in people’s thinking. This step indeed seems crucial in order to have a basis for further research. However, one could expect that doing this in a purely exploratory way, unguided by theory, makes the effort highly vulnerable to unrecognised distortion by the specific procedure that is applied. Below I will argue that this has indeed caused interpretation problems in the maps constructed by Andrews and Withey.

Gradually during their research, Andrews and Withey developed a conceptual framework for understanding the way components of well-being interact. A basic choice that they already had to make at the start was for a bottom-up or a top-down approach. They chose the bottom-up approach, which assumes that satisfactions on (aspects of) the different life concerns combine into overall satisfaction or happiness<sup>7</sup>. The alternative top-down approach would assume that people’s overall subjective well-being determines their evaluation of aspects of life rather than the other way round. Andrews and Withey acknowledge that some feedback loops are likely at work, but argue that the influence from the specific to the general is most plausible as well as relevant for policy ends<sup>8</sup>.

The conceptual model that Andrews and Withey developed distinguishes two dimensions: a criteria-dimension and a domain dimension. Criteria are

“the values, standards, aspirations, goals, and - in general - ways of judging what the domains of life afford (...) A large subset of what we have termed ‘criteria’ turns out to be a somewhat shared dream to be loved, liked and accepted, responsible, respected, somewhat independent, somewhat secure, interested in life, comfortable, competent, successful and to have fun” (ibid., p.12).

Operationalisations of these criteria in the study include ‘achievement’, ‘beauty and attractiveness’, ‘independence and freedom’, ‘variation and stimulation’, ‘safety’, et cetera. Domains refer to social institutions and activities through which people’s needs and aspirations can be met. These include family, schools, jobs, medical facilities, stores and businesses where you buy or work, welfare offices and services, units of local government, unions, neighbourhoods and recreational facilities, and so forth.

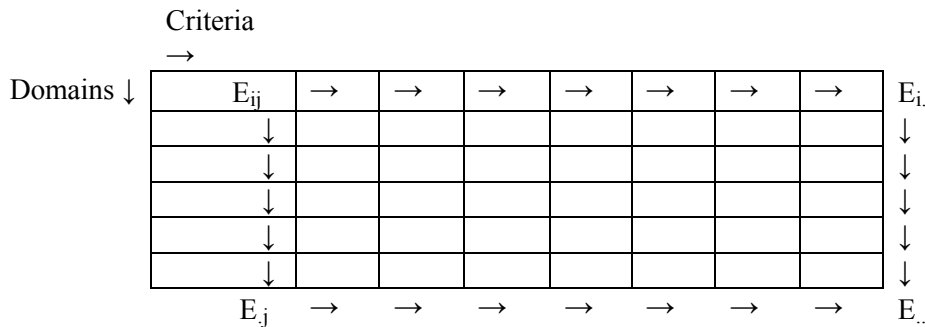
The conceptual relationship between the two dimensions can be clarified in a matrix (figure 2.1.) in which the evaluations of well-being can be visualised at three levels of specificity. Three levels of well-being are distinguished: at the most general level we find the satisfaction with life as a whole, represented by E.. At the middle level, somewhat more specific, are both

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<sup>7</sup> This assumption is debated however. Without substantive theory, this mystery of ‘the hen or the egg’ can not be solved. Some support for the bottom-up approach is offered by the fact that it is not hard to find people who, while reporting a high overall satisfaction, are still very much dissatisfied about certain aspects of their life. Even though adherents of the top-down approach are probably right in their claim that overall satisfaction will tend to colour partial satisfactions, people with either high or low overall satisfaction are still perfectly able to evaluate the relative satisfaction they derive from different aspects of their life. So it seems that both approaches are partly right. For further discussion, see Diener (1984) and Scherpenzeel & Saris (1996).

<sup>8</sup> SPF theory, that will be expounded in section 2.5.6. and in Chapter 3, shares this position.

the domain satisfactions (e.g. the satisfaction with one's job or with one's marriage) and the criteria-satisfactions (e.g. the satisfaction with the amount of achievement or independence in one's life), represented by respectively  $E_i$  and  $E_j$ . A still more specific level is represented by the  $E_{ij}$ s within the cells.



- $E_{ij}$  = Affective evaluative response to a particular domain with respect to a particular criterion  
 $E_i$  = General affective evaluative response to a domain (across criteria)  
 $E_j$  = General affective evaluative response to a criterion (across domains)  
 $E_{..}$  = General affective evaluative response to life-as-a-whole, i.e. perceived quality of life

Figure 2.1.: Two-Dimensional Conceptual Model (Andrews and Withey, 1976, p. 13)

From figure 2.1. it is clear how Andrews and Withey conceptualise the relationship between criteria-evaluations, domain-evaluations and general perceived well-being. Their hypothesis as to how evaluations may combine across levels is that “the evaluations at the margins may be derived by some appropriate combination of the evaluations in their respective rows or columns”(p.14), though a simple additive relation is not assumed. This hypothesis is formulated for both the criteria-evaluations and the domain-evaluations. A second hypothesis is that “global evaluations - i.e., how a person feels about life as a whole - may be the result of combining the domain evaluations *or* the criteria evaluations in a manner analogous to that outlined above [for the evaluations at the margins]”(p.14).

Andrews and Withey explicitly add a number of assumptions that weaken their conceptual model. These assumptions are that neither domains nor criteria are necessarily shared by all people, nor do they all have the same weight for all people, nor do they combine into general subjective well-being in the same way for all people, nor are the relations with (aspect) well-being necessarily in the same directions for all people. In our opinion this amounts to dismantling the conceptual model almost before it is tried, and rather leaves us with empty hands as to the understanding and explanation of perceived well-being.

Or, stated differently, by allowing unlimited substitution, the specification of what really matters is avoided. Still, with this weak model, the authors succeeded in detecting and presenting a huge amount of information on (variation of) the level and structure of perceptions of well-being in a large group of respondents.

As shortly mentioned above, the advance in understanding perceptions of well-being, which the Andrews and Withey-study could have brought about, is hampered by a substantial

problem. As no clear a priori theoretical framework was at hand, and thus no hypotheses existed on what would be crucial relations in the data, the methods for analysing the data could not be appropriately chosen to reveal whether relations and structures of specific interest existed.<sup>9</sup> In other words, the purely exploratory approach resulted in technically correct but sometimes not optimally informative and meaningful analyses of the data. The results are often uninterpretable. For example, the procedure used for ‘mapping of life concerns’ (smallest space analyses on the scores obtained on all investigated items), will per definition lead to a map where substitutes for the achievement of one and the same goal are located at maximum distance of each other. Closeness of ‘concerns’ can result either from items to which people are indifferent, from items that tap concerns that are functional complements, or from items that measure the same concern. It is therefore hardly possible to attach any interpretation to the maps (they should in no case be interpreted as ‘the way people’s perceptions of well-being are structured’!), and they seem only valuable for researchers facing a problem of what items to select to cover certain aspects of well-being. Interpretation problems of this kind abound in the book. Yet, given a firmer theoretical framework, the data collected by these authors can be of rather unique value for assessing the plausibility of assumed relationships between components of perceived well-being, as well as the relative importance of different life concerns.

### 2.3.2. THE ROLE OF ACTIVITIES IN ACHIEVING WELL-BEING: THE TIME USE APPROACH

The investigation of time use and its relation to (aspects of) well-being originates for the largest part from research on consumer behaviour and marketing studies, while it also has some branches rooted in psychology (for example Csikszentmihaly 1997, 1992).

Although the time use approach did not really start with the work of authors like Juster, Stafford and Dow (1985), and time use inventories were applied already in the 1950’s, I consider Juster and Stafford’s *Time, Goods and Well-being* (1985) as one of the landmark books in this approach, and the first in which strong theoretical arguments for the time use approach are presented.

Their time use approach to well-being is positioned by Dow and Juster in the evolution of economic writings from the sole focus on the production of goods and services through the market, and the measurement of market output, via a broadening of attention to include goods and services that are not conventionally priced as market output, to the inclusion of time and time use as determinants of satisfaction or well-being. As they argue, thus far economics has treated time use only in a highly simplified way, in which ‘leisure time’ always is a ‘good’, as opposed to paid labour, which is always a disutility, regardless of the specific activities and conditions involved in leisure and work. Clearly, more can be said about the ‘utility’ or well-being effects of time either spent on leisure or on work (this obvious fact of course lies at the basis of much studies in the social relations, sociotechnics and related research, where the main idea is that by redesigning the physical and social environment of the working process, productivity will raise as a result of increased enjoyment of the work). Juster and Dow

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<sup>9</sup> For example, the two dimensions, domains and criteria, would from the point of view of resource theory, the basic needs approach or social production functions theory be expected to roughly cover respectively resources or production factors and instrumental (first order) goals, respectively. Thus, we would expect the two dimensions to behave differently, which, by choosing appropriate analyses for both, could very likely be tested. In fact, the ‘maps’ Andrews and Withey present for criteria-concerns and domain-concerns separately (p. 38-39, 47) lend some face-value support to this idea.

therefore propose a theory of well-being that unites the economists' perceptions of the importance of material goods and service flows with the insights of other social scientists regarding a broader spectrum of preferences in one framework: the analysis of time allocation to both market and non-market activities.

In this theory the basic resources available to individuals for the production of well-being are defined as total available time, on the one hand, and the stock of (inherited) 'wealth' on the other, with wealth being defined very broadly to include not only conventional capital assets, but also human capital skills, environmental assets, stocks of associations between individuals, and so forth. Individual or societal well-being is seen as resulting from the application of those resources to the production of market and non-market output. These outputs are then combined with non-market time to produce other non-market outputs, and ultimately satisfactions or utility. In Dow and Juster's thinking about the generation of well-being, total available time plays a crucial role, not only as an input into a variety of market and non-market production activities, including leisure, but equally important as a direct source of satisfaction. Dow and Juster argue that people have preferences over all uses of time, and that all activities generate not only observable and measurable outcomes in the form of market and non-market goods, but also outputs which consist of satisfactions from the activities themselves (ibid. p.399). They assume that people have preferences for every activity they might engage in, and those preferences ('process benefits' in Dow and Juster's terminology) are assumed to influence both the way in which people allocate time and the well-being they derive from this allocation of time.

In the remainder of their work, Dow and Juster concentrate on the measurement of process benefits and the relation between these and the perceived quality of life. The identification, measurement and assessment of influences of 'market and non-market goods' is not further elaborated upon. 'Process well-being' is measured by Dow and Juster by means of time use inventories, in which respondents fill in for each thirty minutes during a week, what they were doing. In addition, respondents were asked to rank each of a set of 22 activities on a scale from 0 through 10 with regard to the enjoyability of the activity (respondents were specifically instructed to disregard the desirability of the outcome or result of the activities). By multiplying the mean amount of time spent on each activity with the enjoyability score of the activity (the process benefits) and summing over all activities a respondent reports, Dow and Juster arrive at a score on 'process well-being', which is defined as  $PWB = \sum_{i=1}^n w_i * t_i$ . (For the precise computations and the manipulations used to check for possible variation in 'anchor points' between respondents, see Dow and Juster, 1985, p. 402-406).

The findings with regard to process well-being that Dow and Juster present (based on data from the 1975-76 national survey of time use among American families, n=975), reveal some interesting patterns. Females, married people, younger people, unemployed people and people with children have lower process well-being scores than their respective counterparts. These results most likely indicate that various demographic or situational characteristics impose constraints upon the individual that lead to lower per hour process well-being. The gender effect can, for example, reflect the fact that being female is typically associated with a set of activities that have low process benefit scores: many household production activities (ibid. p. 409). The same reasoning seems to hold for being married and having children: although highly valued states of being in themselves, apparently there are considerable obligations attached to these states that have low process benefit scores.

However, notwithstanding the interest of these findings, the association between measures of process well-being and satisfactions with quality of life among the research population appeared to be almost zero. Also, the most powerful predictors of process well-being scores explain very little of the variation of life satisfaction among the population. Dow and Juster account for this lack of association by pointing out that the measure of process well-being stands relatively isolated in time:

“...Process well-being measures a set of satisfactions associated with an individual’s current set of activities, and with the goods and service flows associated with those activities. The life satisfaction measure reflects an assessment of certain stocks or contexts that may be thought of, in part, as a consequence of past activities” (p. 410-411).

They further mention ‘investment motives’ as something which, while absent from their theoretical framework, may simultaneously lower process well-being scores and increase life satisfaction. This observation seems indeed crucial in explaining the low associations of process well-being scores with overall well-being. Regarding the early recognition by Dow and Juster of the importance of investment mechanisms, it is striking and disappointing to observe that through the following decade the negligence of investment mechanisms persisted in all quality of life studies using time use data. Consequently, also in the last ten years, the enjoyment of activities as observed in time use data was found to relate at best slightly to life satisfaction. So it seems that we cannot account for well-being simply in terms of time allocation to enjoyable activities, a finding that Heady and Wearing (1992) have succinctly expressed as “hedonism fails”<sup>10</sup>.

The negligence of investment activities by concentrating on hedonic levels is not the only weakness of the time use approach. Objections can also be made against the sole reliance on individuals’ subjective evaluations of the enjoyment of activities. As will be explained in more detail below, where the work of Sen is discussed, such reliance on completely subjective evaluations is highly vulnerable to standard shifts: adaptation to longstanding living conditions (whether these are very poor or very good) can cause individuals to shift their evaluation standards. This mechanism then makes the obtained subjective evaluations highly questionable as indicators of ‘real’ well-being.

### 2.3.3. MULTIPLE DISCREPANCIES THEORY: FROM THE HEDONIC FRYING PAN INTO THE FIRE OF STANDARD SHIFT

In quality of life research only few attempts to advance theoretical models of how diverse factors are related to each other and to the subjective perceptions they elicit have been seen thus far, and of these few, multiple discrepancies theory is one of the more elaborated. Within his multiple discrepancies theory, Michalos (1985, 1991) has developed an elaborate theoretical framework to explain the quality of life. (Whether the dependent in his theory is really ‘quality of life’, or rather ‘life satisfaction’ - the cognitive component of well-being - is debatable, and I will return to this problem below).

Multiple discrepancies theory is a strongly cognitive based approach, based on different comparisons. In these comparisons, the focus is not on objectively measurable discrepancies,

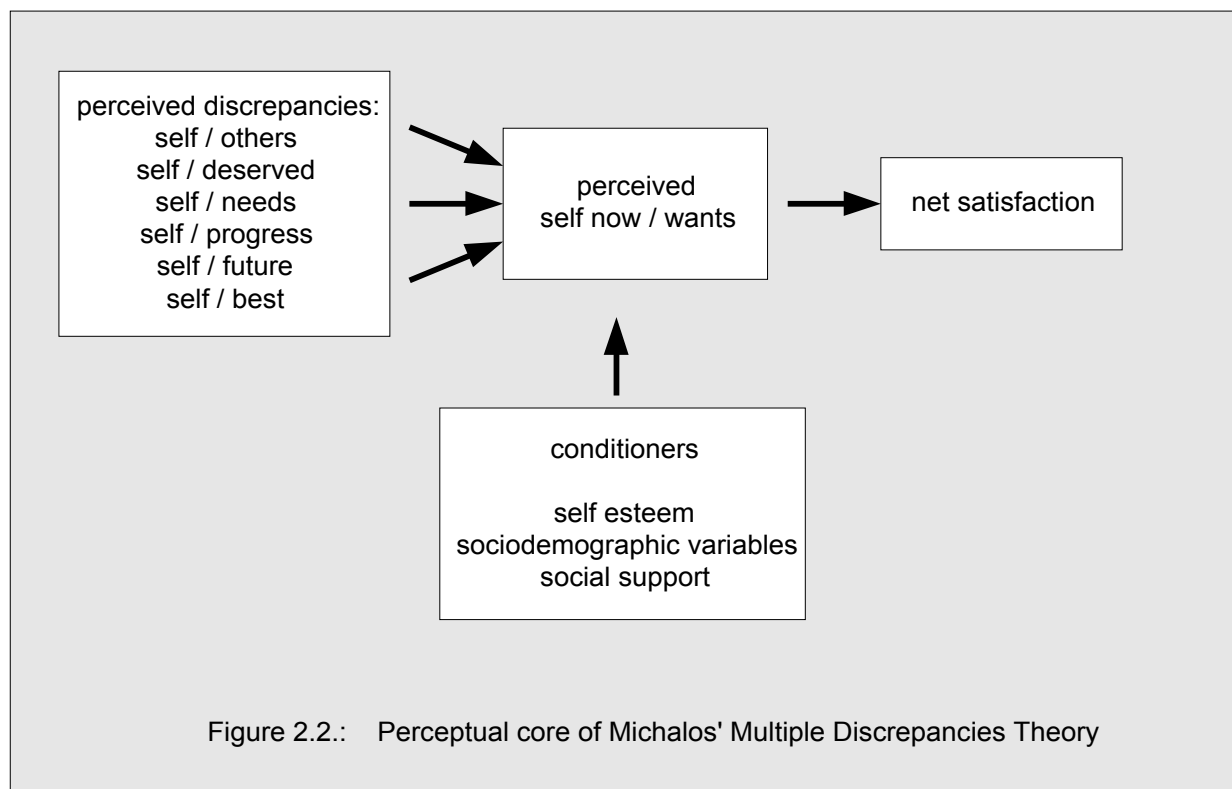
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<sup>10</sup> In section 2.3.1., it was already noted that most researchers by now agree that overall subjective well-being or ‘happiness’ results from two ingredients: both hedonic level and life satisfaction, that is, both affect and cognition, should be considered.



but on perceptions: a number of perceived discrepancies are measured, which are assumed to influence the perceived discrepancy between what the individual has now and what he wants (the self-wants variable). The self-wants variable again explains 'net satisfaction'. The comparisons that are part of Michalos' theory are based on several socio-psychological theories. Reference group theory has inspired the self /other comparison; equity theory provided the self / deserved comparison; and the temporal comparisons (progress/future/best) are based on aspiration theory (Schulz 1995, p. 156).

In addition to these core parts of the theory, Michalos has added a group of variables to which he refers as mediators or conditioners. These mediators or conditioners include sociodemographic variables as well as self-esteem and social support. The core of the theoretical framework of Multiple Discrepancies Theory is shown in figure 2.2. (adapted from Michalos 1985, p. 357).



Being one of the first serious attempts to advance a theoretical framework for quality of life research is already praiseworthy, but multiple discrepancies theory also has some appealing features in itself.

The integration of insights from diverse psychological approaches (reference group theory, equity theory, aspiration theory, et cetera) is certainly one of the theory's strengths. A second strength is the explicit inclusion of cognitive evaluations that are explicitly extended beyond the hedonic level of the moment. In multiple discrepancies theory, the investment mechanisms, which are so troublesome in the time use approach, are thus - though implicitly and depending on the respondents awareness of them - included.

A third potential strength, which however heavily depends on the quality of measurements and may therefore easily turn into a major weakness, is the inclusion of both the self/others and the self/best comparisons. The first of these concerns the relative well-being of the respondent *within* his reference group (his social environment), while the latter is supposed to concern the respondent's position as compared to some absolute yardstick, that is irrespective of the individual's reference group. It is the latter comparison that may be troublesome, for how would we know whether the respondents succeed in abstracting from their reference groups? There may be considerable (and systematic!) variation in the degree to which respondents can actually imagine an absolute 'best' life, and consequently the resulting indicator may be more or less unreliable. Per saldo the two comparisons (self/others and self/best) thus should be expected to result in a considerable reference-group effect on the perceived discrepancies between what one has now and what one wants.

There are a few more weaknesses of multiple discrepancies theory to be discussed here. A clear and critical discussion of the general adequacy of multiple discrepancies theory as compared to resources theory is found in Schulz (1995), on whom the first two of the following remarks are based.

As can be seen in figure 2.2., the central predictor for net satisfaction is the discrepancy between what one has now and what one wants. Rather high standardised regression coefficients are found between the two (Schulz 1995, p 156). One could however question whether the self/wants variable does in fact explain anything in the sense of satisfactory logical explanation. The discrepancy between what one has and what one wants is conceptually very close, if not similar to (dis)satisfaction. The high explained variance may in fact reflect a tautology. The same problem extends to a lesser degree to the set of comparisons at the left part of the model. Thus, the only part of the model that might really provide substantive explanation, would be the set of conditioners. The mechanisms by which these affect satisfaction are however not explicated, which brings us to our second remark.

The set of 'conditioners' or 'mediators' with which Michalos expanded his core model, is in fact not really integrated into the model. Michalos only assumes a moderating effect of these variables on the way perceived discrepancies affect net satisfaction, but he fails to formulate assumptions regarding their meaning and regarding the mechanism through which the mediation takes place. This is not very surprising, as a little thinking reveals that the set of sociodemographic variables, self esteem and social support should be expected to affect the relations in the core model in multiple ways. Firstly, these variables will surely affect the person's present objective situation ('what one has now', the left side of the multiple comparisons); secondly, they will very likely also affect the aspirations of the person, his reference groups and his ideas of justice (the right side of the multiple comparisons); thirdly, they are likely to affect the evaluation of the discrepancies; and fourthly, they may also affect the strength of the association between the 'perceived self now/wants' variable and net satisfaction. Explicating all these relations would complicate the theoretical model to a high degree. It would in fact turn the multiple discrepancies theory into some resource model. But still, including socio-economic variables without explicating the mechanism through which they influence the other effects may yield a better description of the problem (through the correlations obtained between socio-economic variables and the dependent variable), but it does not explain the problem. Neither does the addition of self-esteem and social support,

although Michalos reports that the social support and self-esteem measures significantly increased the theory's power to explain life satisfaction. As yet it is even unclear whether high self-esteem is a prerequisite of high quality of life, or rather a result of long-lasting positive reinforcements. In any case, the variable has nothing to do with multiple discrepancies comparisons. Just like social support, which is essentially a resource, it belongs to an other 'family' of theories (ibid., p 156). In principle, multiple discrepancies theory might be integrated with some resource theory into one unifying framework. The necessary handles to achieve such an overarching theory are however not present in multiple discrepancies theory.

Our third and final remark regarding the adequacy of multiple discrepancies theory for the explanation of well-being concerns the dependent variable. In Michalos (1985), both *happiness* and *satisfaction* are used as dependent variables. But in later works (e.g. Michalos 1991) it appears that Michalos neglects *happiness* and uses only net satisfaction, or life satisfaction, which refers solely to the *cognitive* component of subjective well-being. Restricting the focus to the cognitive component of subjective well-being is *not* harmless. Even though Andrews and Withey (1976) found high intercorrelations between different partial operationalisations of well-being (Schulz 1995, p.154), this does not justify equating well-being with its cognitive component. The high intercorrelations found by Andrews and Withey may not be robust over sub-populations of respondents living under the most or the least favourable conditions. Especially since we have seen that the satisfaction component is more vulnerable to reference group effects, satisfaction alone cannot safely be assumed to be an adequate indicator of overall well-being<sup>11</sup>.

In fact, the intercorrelations that *were* found, were not at all that high: for example the Pearson's *r* that was found between the measures for satisfaction with one's life and for happiness as used by Andrews and Withey varied from .49 to .63. For two partial measures of one underlying concept, these figures do not seem high enough to justify equating of the underlying concept with just one of its components.

Summarising, we may say that, despite several very attractive and desirable features (such as the inclusion of insights from diverse psychological approaches, and the capability to handle investment behaviour), multiple discrepancies theory does not yet provide a satisfactory framework for explaining quality of life. However, it does sensitise quality of life researchers to the importance of theoretical frameworks to guide and interpret empirical research.

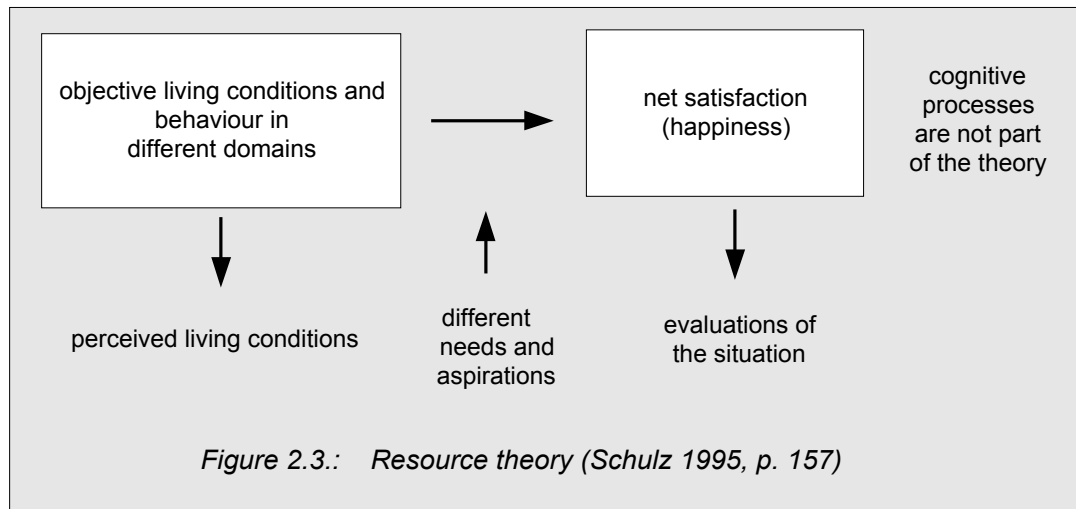
#### 2.3.4. RESOURCE THEORY: AN ATTEMPT TO IMPROVE ON MULTIPLE DISCREPANCIES THEORY

In the previous section we have seen that Schulz (1995) seriously criticises Michalos' multiple discrepancies theory, and in this I agree with him. In principle, I also agree with the alternative approach Schulz defends, namely *resource theory*. According to Schulz, the resource approach basically amounts to the rather traditional view that satisfaction and happiness depend on certain living conditions. The focus is here on the relationship between rather objective existing conditions and net satisfaction, while cognitive processes like perception, aspirations, comparisons et cetera need not be part of the model. Schulz depicts the resource

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<sup>11</sup> Sole reliance on satisfaction as indicator for well-being would overestimate within-group variance while underestimating between-group variance. In other words: the average well-being of the people in a group that as a whole is better off is underestimated, while the average well-being of those in less favoured groups would be flattered. As soon as such figures would have consequences for policy, this is an unacceptable inaccuracy.

model as follows (figure 2.3.):



Schulz argues that, in addition to material objective conditions, also non-material resources should be measured in an objective way and included among the relevant resources, as these have been shown to play a very important role in satisfaction and happiness<sup>12</sup>. Though the basic model of resource theory has intuitive appeal, it gives little clues about how to get beyond the general idea and concretise what resources are relevant. Schulz acknowledges this point and proposes a temporary solution, using the domains-concept of Andrews and Withey:

“It is certainly one weakness of the resource approach that it does not allow for a definition of all living conditions necessary to reach a high level of satisfaction.

Therefore, in this research, the solution has been to define ‘domains of life’; satisfactions with the domains of life explain very well global satisfaction or global happiness. We can try, moreover, to explain domain satisfaction with rather objective conditions.” (Schulz 1995, p. 158)

Yet, this does not really solve the problem. One difficulty that remains is that

“...the ‘domains’ do not apply to all people, so it is difficult to compare different groups. The domain ‘work’ or ‘job’ does not exist for housewives, or the domain ‘spouse’ or ‘partner’ for many people living as singles, or according to other new lifestyles. What can be done is to replace these categories by more basic ones such as satisfaction with sex, satisfaction with communication, satisfaction with what a person does most of the time, and so on, then these categories of satisfaction can be explained by specific resources” (Schulz 1995, p. 158).

In fact, what Schulz suggests in the last few lines of the quote, is to treat domains as something instrumental in attaining other, more basic, things. Although Schulz himself does not name these more basic things as something different from the domain-type resources, the relation between the plain resources and ‘more basic things’ reminds of the domain- versus criteria-dimension in Andrews and Withey, while it might also be understood as something like the ‘functionings’ Sen focuses on (see below). As will be seen in chapter 3, it shows an

<sup>12</sup> It is interesting that Schulz stresses the importance of attempting to measure in a more objective way what he denotes as the most important sources of happiness: “the life partner, friends, colleagues - the social network” (ibid., p 158).

even more striking similarity with the relation between lower level resources and activities and higher level goals in Lindenberg's Social Production Function theory.

Schulz illustrates the exposition of resource theory by presenting the results of a study of the determinants of satisfaction and happiness among 354 students of the University of Vienna. In these results it becomes even clearer that in order to provide real explanation, resource theory still needs much elaboration. For one thing, as long as the model does not specify what are the most basic and universal needs or goals people have, it cannot be decided which resources one should necessarily measure in order to cover the main components of satisfaction.

Schulz concludes with formulating a list of suggestions for further research and theory formation, of which the following seem the most important:

- "Resource variables should also include behaviours, because the adequate use of material resources and the factor of time seems to be highly relevant";
- "Resource theories should try to combine their approach with cognitive elements (aspirations, comparisons, etc.)" (Schulz 1995, p. 167).

Summarising, Schulz proposes the use of some type of resource theory for the explanation of satisfaction and happiness, that links objective conditions with subjective well-being.

Although the explanation of subjective well-being from objective resources may not result in very high  $R^2$ , it provides much more relevant information than multiple discrepancies theory where the predictors are conceptually close to the dependent variable. However, the resource theory as presented by Schulz is far from elaborated, and needs a lot of specification in order to bring forth an operational model. Most importantly, a specification is needed of the resources that are considered relevant, and of their hypothesised relations to each other and to overall well-being.

Schulz gives one rather vague suggestion with regard to the problem of what resources to look at. He in fact raises an important point there, when he argues that many of the classical indicators of objective well-being have lost much of their relevance in contemporary affluent western societies, simply because the most basic needs for survival are generally met. He therefore advocates concentration on those resources that are not yet (equally) available to everyone. We have two objections to this strategy. Firstly, one should be extremely careful before one accepts the assertion that the basic resources for survival are sufficiently available to everyone in modern Western society. There is still evidence that for some people, even though their number may be small, the most basic resources are still in jeopardy. And even if the assertion were true, it would seem unwise to stop monitoring the availability of these basic resources. Our second objection concerns the effects of Schulz's proposal for the possibilities for international comparisons. If a set of indicators for well-being would only contain those elements that are of actual concern to affluent western societies, these indicators, if applied to other countries as well, would blur the substantial differences in well-being between countries. Thus, while for detecting differences in well-being within countries Schulz's suggestion is certainly valuable, we still need to include basic resources in our research too, to be able to judge the average level of well-being in the country.

#### 2.3.5. THE BASIC NEEDS APPROACH: A MORE REFINED SORT OF RESOURCE THEORY

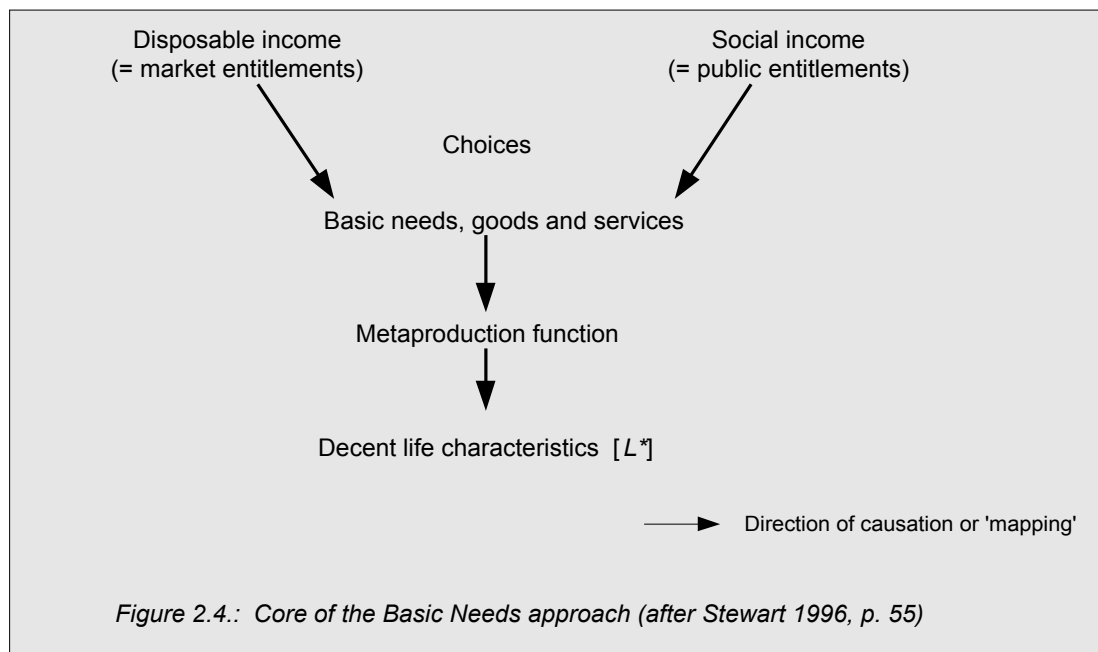
Stewart (1996) describes the Basic Needs approach that was originally proposed by Fei, Ranis & Stewart (1979) as an alternative to the use of GNP as a measure of well-being, and also

compares its merits with those of Sen's capabilities approach and the Human Development Index as used by the UNDP. The Basic Needs approach sees "income as a means rather than an end from the perspective of well-being", namely as a "means to the basic goods and services necessary for a decent life, (...) defined in terms of levels of health, nutrition, and literacy [or educational achievement]" (Stewart 1996, p. 48).

In the Basic Needs approach

"the relationship between the *end* (the decent life) and the means (the goods and services consumed) has been described variously as a 'metaproduction function' (Fei, Ranis and Stewart) and a 'human production function' (UNDP, Human Development Report). Formally this relationship may be represented as:  $L^* = f(B_i, B_{ii}, B_{iii} \dots)$  where  $L^*$  is the quality of life achieved, defined in terms of health, nutrition etc, and  $B_i, B_{ii}, B_{iii} \dots$  are the basic needs goods and services which lead to its realisation. We shall call this relationship the metaproduction function. It represents a complex empirical relationship that can be observed at many levels - world, country, household, or individual level. To give it meaning, the first necessity is to define the elements which constitute  $L^*$ , or the decent life. The basic goods approach has defined the characteristics rather minimally as health, nutrition, and some indicator of educational achievements. These three are included on the grounds that these are 'basic' characteristics which (a) would probably achieve universal consent as universal human needs; (b) have some claim to priority as being necessary preconditions for other aspects of a full life, such as enjoyment of art or sport; and (c) are relatively easy to measure" (Stewart, *ibid.*, p. 48-49).

The core of the basic needs approach is schematically represented in figure 2.4.



In this basic description of the core idea of the basic needs approach, we can already discern some interesting similarities and differences with other approaches. Firstly, it should be noticed that the eventual criterion in this approach,  $L^*$  or the good or 'decent' life, is defined

in terms of objective elements rather than in terms of subjective well-being. Thus, strictly speaking, the basic needs approach does not meet the requirement formulated earlier in this section, that to have the potential to achieve progress in quality of life research, a theory should pay attention to both subjective well-being and to objective factors or conditions, and address the causal relation between both. However, the Basic Needs approach might be extended to include the subjective evaluation of life quality as well. In principle, this might be achieved in a rather straightforward manner. One would need to add a measure of subjective well-being to the operationalisation of  $L^*$ , which would best be conceptualised as the common resultant of the three more objective elements by which  $L^*$  is now operationalised. In practice, however, extending the Basic Needs approach with a measure of subjective well-being may prove less straightforward, for it may take some effort to find a subjective measure that is satisfactorily correlated with the objective elements of  $L^*$ . It is indeed not at all clear whether all components of  $L^*$  will be highly correlated with SWB.

Secondly, what is striking is the conceptualisation of the relation between the basic goods and the resulting life quality. This is described as a metaproduction function, indicating that even the basic goods themselves do not directly affect quality of life, but that they are means of production, which only through being used or applied in some purposeful process, contribute to the achievement of a good life. This notion is quite essential in this approach, and it is the very same notion that is also found in Sen's functionings and capabilities approach (see below) and in Lindenberg's social production function theory (see section 2.5). Two implications of the notion of (meta-) production functions should be noted. In the first place, this notion implies that the value of objective goods for the achievement of well-being depends on what people do with the goods or services they have. In the second place, it implies that the composition of the 'basket' of goods and services matters, for the analogy with factors in a production function raises the notions of substitutability and complementarity of goods.

Thirdly, what should be noticed about the core idea of the basic needs approach, is that it is indeed about *basic* needs and a *minimally* decent or good life. As we shall also see shortly, when discussing the common operationalisation of the three elements of the 'decent' life, this feature of the approach indicates that it is mainly useful for assessing the achievements of underdeveloped or economically backward countries; in e.g. western industrialised countries its discriminative power would be very small, as there the basic goods of literacy and nutrition are practically attainable for all and life expectancy is generally high. The basic needs approach is thus most - and even almost exclusively - adequate for application to economically and/or socially backward countries.

Fourthly, the basic needs approach works with an index-type criterion for 'good life', which automatically means that there is the problem of how to weigh the components that together constitute the index. One way to proceed concerning the weighting problem, is to incorporate a single outcome criterion just one level beyond the  $L^*$ , namely a measure of subjective well-being. However, this will not be a matter of 'simply' adding a SWB measure to the framework, for it requires that all objective elements of  $L^*$  correlate highly with SWB (see the first remark on the Basic Needs approach, above).

Fifthly, by concentrating on basic needs, this approach side-steps one of the problematic

aspects associated with the use of GNP per capita as measure of well-being, namely that of the income distribution. In the basic needs approach, income distribution is no direct element of the assessment of quality of life, but indirectly it is in some degree. The distribution of income is “taken into account so far as it affects the ability of each member of society to gain access to the goods and services necessary for a decent life. However, beyond that, once everyone has access to enough BN goods and services, the BN approach says nothing about income distribution” (Stewart 1996, p. 50). This seems to be a highly elegant solution that keeps a safe balance between too much neutrality (as in the GNP per capita approach, that takes the income distribution for granted) and too much normative prescription, which - no matter what distribution of income would be taken as ideal or just - would be sure to raise much opposition.

The focus on basic or essential goods vis-à-vis non-basic goods in the BN approach also permits ranking of alternative situations according to their desirability. However, the necessary valuations involved make this a normative and thus potentially controversial matter. For further reading on this feature of the BN approach, and in particular its implications as compared to the capabilities approach of Sen that does refrain from valuation of particular goods, I refer to Stewart (1996, p. 53-54)

When looking beyond the core idea to its translation into actual measures and the use thereof, more specific observations can be made. The three basic characteristics are usually operationalised as follows. For health, life expectancy is used as a measure; for (inverse) nutrition, rates of child malnutrition are used; and for educational achievement, literacy rates are used as indicator.

These operationalisations underscore the remark above that the approach seems most suitable to the study of quality of life in poor or socially backward countries (cf. Stewart 1996, p. 64); these specific indicators that are chosen are not sensitive in the higher ranges of life quality that are found in more affluent, modern western societies. In this sense, the basic needs approach is much more restricted than e.g. Sen’s functionings and capabilities approach, in which all sorts of ‘higher level’ capabilities can be dealt with than merely the basic functions for survival on which the basic needs approach concentrates.

It can also be noted that, although the core idea of the approach does not principally exclude this, the social component of well-being and ‘decent’ living seems to be rather neglected in the operationalisations as compared with the physical component of well-being. Most likely this is a consequence of enormous difficulties in reaching consensus on what are universally essential goods and services necessary for leading a socially good or decent life<sup>13</sup>.

What the basic needs approach in its particular operationalisation does emphasise, is the kind of goods and services that usually come about only by public provision. It thus shifts attention from the mere height of GNP per capita to the way in which public means are allocated. Its potential relevance for policymaking, monitoring and evaluation is therefore considerable, be it restricted to countries in which serious deprivation still prevails.

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<sup>13</sup> The only ‘good’ that is likely to receive almost universal acceptance as a basic means of attaining a decent social life might be paid employment, but employment rates could impossibly be used as basic needs indicators because of contamination with child labour (which most people would agree is inversely related to a decent life), with ideologically based differences in female labour participation (which are difficult to interpret in terms of quality of life), and with differences in formalization of labour/employment (in less industrialized countries, different proportions of the total of productive labour are organized in the form of paid jobs).



### 2.3.6. THE WORK OF SEN: FUNCTIONINGS AND CAPABILITIES

It has already been referred to several times: the capabilities approach to social well-being, advocated by Sen. This unconventional but highly respected economic theorist (and winner of the 1998 Nobel-prize for economics) provides us with some useful suggestions and sharp analyses of often neglected problems. He is most concerned about development economics and has devoted much effort to drawing attention of mainstream economists to the problems of justice and well-being in underdeveloped economies. Sen (1977) has argued that several of the assumptions underlying utilitarianism are either empirically incorrect or are founded on seriously questionable values (cf. Stewart 1996, p. 47), and he consequently rejects as unacceptable and even misleading the use of GNP as an indicator for human well-being, which implicitly relies on these assumptions.

In *Commodities and Capabilities* (1985), Sen again attacks utilitarianism, on more theoretical grounds. Here, the main argument is that the classical notion of utility as used in economics, is an inadequate criterion for assessing or evaluating well-being, for the following reasons.

Firstly, the notion of utility has been used with various different meanings: in classical utilitarianism, utility is seen as *satisfaction* or *happiness*; in much modern utilitarianism as *desire-fulfilment*; while “in much of modern economics ‘utility’ serves other purposes too, standing for whatever the person maximises (or can be seen as maximising) or simply for the person’s well-being or advantage no matter how that is judged.” (Sen 1985, p. 2,3). Secondly, and more importantly, giving several distinct meanings to ‘utility’ at the same time, we run the risk of implicitly assuming that these meanings would in reality coincide with each other:

“...one’s view of one’s own welfare and the maximand in choice behaviour may each respectively be called ‘utility’ without great difficulty, but if *both* are called ‘utility’ and treated as the same, then it would have been implicitly presumed that what one always maximises is indeed one’s own welfare” (ibid., p. 3,4).

And even though a person’s actions and his interests are obviously related, for judging a person’s interests it is too crude a simplification to equate it to his actions or behaviour.

What then, Sen asks, should be the yardstick to measure a person’s well-being? The usual approach within economics is to look at the amount of commodities a person possesses, that is, to look at his opulence. A somewhat more refined version of this approach, introduced by Gorman (1956) and Lancaster (1966), views commodities in terms of their characteristics, i.e. their various desirable properties, which enable the person who possesses the good to put it to various uses.

Sen points out however that “the characteristics of the goods do not tell us what the person will be able to do with those properties” (p. 9); this still depends on the personal physical and mental capabilities and on the social and physical settings. Thus, in judging the well-being of a person, it would also be insufficient to limit the analysis to the characteristics of the goods possessed. Which brings Sen to his main statement: in order to judge the well-being of persons, we have to consider their *functionings*. Functionings are defined as *what the person succeeds in doing with the commodities and characteristics at his or her command*.<sup>14</sup>

<sup>14</sup> In this main statement of his book, Sen surprisingly contradicts himself however. After having argued, in Chapter 1, that it is the ‘advantage’ of a person that really matters, rather than his achieved well-being, the choice for ‘functionings’ as the best level to approach well-being seems to be somewhat inconsistent. “ ‘Advantage’ refers to the real opportunities that the person has, especially compared with others. The opportunities are not judged only by the results or the level of well-being achieved... The freedom to achieve well-being is closer to the notion of advantage than well-being itself” (ibid. p. 5). The key reason why Sen in the remainder of his book

“A functioning is an achievement of a person: what he or she manages to do or to be. It reflects, as it were, a part of the ‘state’ of that person. It has to be distinguished from the commodities which are used to achieve those functionings. It has to be distinguished also from the happiness generated by the functioning” (Sen 1985, p. 10).

In the introduction to *Choice, Welfare and Measurement* (1997), Sen summarises his conceptualisation of the process through which utility is realised in the following diagram:

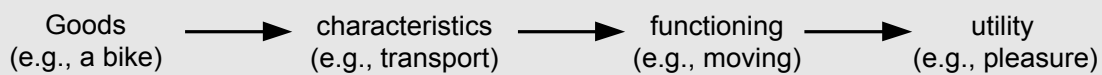


Figure 2.5.: Sen's model of the relation between a good and a person (Sen 1997, p. 30)

In disentangling the levels at which commodities and capabilities affect the individuals' well-being, Sen thus distinguishes three substantively different levels at which the problem of measuring well-being can be approached: (1) the level of utility; (2) the level of opulence; and (3) the level of functionings. While the first two levels are more standard approaches, Sen defends the third, which in fact lies in between.

The main remaining problem in Sen's book seems to be the lack of substantive filling-in of the functioning-vector<sup>15</sup>. Here Sen falls back in line with mainstream economics that avoids the specification of preferences or 'needs'. The functionings and capabilities approach is empty with regard to what it is people need or want or value; it rather specifies a mechanism through which non-specified goods and services are - at the individual level - converted into utility or subjective well-being.

Still, Sen seems to be the first who, in the field of quality of life, managed to find a solution for the problem of substitution. While before Sen, there were only approaches that either allowed unlimited substitution (like the Andrews & Withey approach, but also multiple discrepancies theory and others), or no substitution at all (like Schulz's resource theory, but also the implicit approaches used in the social indicators programmes at the (inter-) national level), with the functionings approach Sen has achieved a way around these undesirable extremes, by assuming that there are essential functionings and substitutable goods with which to achieve these functionings. This notion of limited substitution is an essential part of

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prefers 'functionings' as the indicator of well-being might be the inherent comparison to others in 'advantage', which would induce immense context-effects, especially when studying the well-being of persons in different countries or cultures.

<sup>15</sup> Elsewhere, Sen specifies a list of functionings he considers relevant (Sen 1992). This list comprises elements like health, money, absence of shame and other components, for the selection of which Sen offers no theoretical arguments, however. The list seems not to be intended as a complete list of important functionings, and it does not give sufficient 'grip' to understand how Sen's approach should be made operational. See also section 2.5.6.

Sen's approach, and it is indeed crucial for understanding the relation of objective resources to the production of subjective well-being. But in the case of Sen's approach it is clear what we still want: a theory of goals that can provide a substantive filling-in of the functionings Sen proposes as central focus of well-being and quality of life assessments.

### 2.3.7. TO WHAT EXTENT CAN CURRENT APPROACHES IN QUALITY OF LIFE RESEARCH DEAL WITH ITS CORE CONCERN?

From the foregoing discussion of the ability of six main approaches in quality of life studies to explain how objective conditions affect subjective well-being, we can distil a number of criteria on which to evaluate the approaches:

1. A theory aiming to explain subjective well-being or life satisfaction should include a *specification of goals*. In the discussion of the Andrews and Withey approach, of resource theory and of the approach that Sen advocates, we saw that, when no goals are specified, it is neither clear what we should measure nor how measurements of different life concerns should be interpreted.
2. Next to requiring a specification of goals, we also want these goals placed in a *hierarchical structure*. As was seen in the discussion of the Andrews and Withey approach and of resource theory, human goals need not only be identified but their relative importance should be assessed as well. Without clear ideas about relative importance, we cannot explain different effects on overall well-being when restrictions are imposed on either the one goal or the other.
3. The third element we would wish in a theory of well-being is a specification of the instrumentality relations between goals. Again in the discussion of the Andrews and Withey approach and in Schulz's version of resource theory, the lack of instrumentality relations between goals was found problematic.
4. Related to the second and third criterion, it also seems desirable that an adequate theory of social well-being be able to *handle substitution*. That is, the theory should neither allow unlimited substitution (for that position extremely limits the explanation of differences in subjective well-being), nor should it overlook all possibilities for substitution (for that position leads to the kinds of problems encountered by e.g. national social indicators programmes: it prohibits explanation of differences in well-being between people whose command over the resources of interest is equal). An adequate theory of well-being should thus be able to identify and explain instances where different means are used to attain the same 'higher order' goal, or where a low level of well-being on one component is (partly) compensated for by an increased level of another component of overall well-being. Both in Schulz's resource theory and in the Andrews and Withey approach the ability to handle substitution is clearly absent.
5. The fifth criterion that I propose for assessing the potential of theories to explain well-being is whether *inherent relations to objective conditions* are contained. This element was most clearly found wanting in multiple discrepancies theory, and the time use approach.
6. A next requirement that we think a theory for explaining quality of life should meet, is what we call *stability against standard shift*. With this requirement we mean that distortions of reported well-being due to shifted standards (whether the shift is induced by reference groups or by habituation to certain levels of (un)well-being) should be evaded if possible. If the use of self-reports that are susceptible to distortions by shifted standards cannot be evaded, the risk of distortions should be taken into account in the interpretation of findings, and where possible minimised by using additional, more objective

measurements (that is, some sort of triangulation is advised). Of the discussed approaches, the two examples where stability against standard shift seems insufficiently ensured are the Andrews and Withey approach and multiple discrepancies theory.

7. The discussion of the time use approach has brought to bear that an adequate theory for explaining well-being or quality of life should be able to *handle long-term interests* (i.e. to model or interpret investment activities). In fact, what we imply here is that any conceptualisation of ‘quality of life’ should include at least some enduring elements: quality of life is more than just the hedonic experience of the ‘here and now’. Activities directed at the preservation of present well-being or at increased opportunities for future well-being should therefore not be judged only by their present cost/benefit ratio; at least a discounted value of later returns should be considered too.

The relative degree to which the reviewed approaches seem to meet the 7 criteria is presented in table 2.1. The signs in this table are mere indications and should be read with caution.

*Table 2.1.: Comparison of 6 approaches to explaining subjective well-being.*

approaches: → criteria: ↓	Andrews & Withey’s approach	time use approach	Michalos’ MDT	Schulz’ resource theory	Stewart’s BN- approach	Sen’s capabi- lities approach
specification of goals	- / 0	--	-	-	+ / 0	-
hierarchical structure	-	-	-	0 / +	+	+
instrumentality	-	-	-	+	++	++
ability to handle limited substitution	-	-	-	-	+	+
inherently related to objective con- ditions	++	-	-	++	++	+ / -
stability against standard shift	0	-	--	+	+	+ / 0
long-term interests	+ / -	--	-	0	0	0

Overall, as table 2.1. shows clearly, it seems that three of the approaches we have discussed meet more of the criteria than the rest, namely Schulz’s resource theory, the basic needs approach of Stewart et al. and the functionings and capabilities approach of Sen. Being partly similar, namely with regard to the way they conceptualise the process through which objective resources are - at the level of the individual person - converted into subjective well-being, it is not surprising that these approaches have approximately similar scores regarding their potential for our problem. What these three approaches also have in common, however, are the criteria they do not meet, namely the specification of (ultimate) goals and, an allied problem, the inclusion of long-term interests. The failure to provide a substantial specification of the ultimate goals of individuals is a void these three approaches have in common with each of the other approaches we have considered.

### 2.3.8. DIAGNOSIS: WHAT AILS QUALITY OF LIFE RESEARCH?

On the basis of the review of the state of the art on quality of life studies that was presented in this section, it would be wrong to conclude that this field of study is in ill health. To the contrary, it can be seen to blossom and develop with vigour that researchers from other fields of study might well envy. The yield of this rapid development in the past three or four decades is considerable: many difficulties concerning the measurement of well-being and quality of life have been solved, increasingly sophisticated measurement instruments have been developed, an impressive quantity of empirical data has been collected throughout the world, and increasing consensus is achieved regarding the content and meaning of subjective well-being concepts. Still, despite these many achievements, most research efforts in the field thus far appear to have circumvented the core concern of quality of life studies, namely the relation between objective conditions on the one hand and subjective well-being on the other. In the literature from the past 20 years, only a few attempts to tackle this core concern can be discerned. Interestingly, these attempts reveal quite fundamental dissensus about what should be the approach that is used to tackle the core business of quality of life studies. Above, these approaches are described and their respective merits evaluated. It was seen there that none of these approaches can as yet boast of having all required features to be able to accomplish the desired explanation of how subjective well-being is brought about at the level of individuals.

In trying to trace the causes of each approach's limitation with regard to this eventual task, a number of criteria have surfaced that a theory would need to incorporate in order to be more successful. First and foremost, any theory about how objective conditions affect subjective well-being should focus at the individual level. This requirement is essential if we want the approach to result not only in the possibility of comparing and explaining the quality at a nation level, but also at the level of individuals and categories of people. Second, the focus at the individual level should concern the process and mechanism through which objective resources are converted into subjective well-being. Although previous research has extensively investigated the statistical relations between numerous objective conditions and subjective well-being, these relations are yet hardly understood and often the direction of causality is all but clear. To get a better understanding of *how* various objective conditions or resources affect the eventual level of well-being of individuals, it is necessary to shift the focus of the investigation from subjective well-being as a state towards subjective well-being as something people continuously try to attain and maintain. That is, the agency aspect of the realisation of well-being should be incorporated. An additional reason for wanting this is that only by opening the black box of the process through which subjective well-being is realised, we can gain insight in substitution mechanisms and in complementarity relations between resources; an insight that we need in order to assess the consequences of the availability of certain combinations of resources and conditions.

We thus want an individual-level theory explaining how objective conditions hinder or facilitate the realisation of well-being. In our review of existing approaches, it was seen that, broadly speaking, the term well-being in this statement is usually interpreted in one of the following two ways: either it is interpreted in a rather minimal way as the fulfilment of a number of basic needs, that is, of the physiological needs that are essential for survival (cf. Stewart's Basic Needs approach, part of Sen's 'functionings' and also the main part of social indicators used by the UNDP) or it is interpreted to refer to the extent to which people's

circumstances enable them to attain their goals or aspirations (cf. Michalos' MDT; Schulz's resource theory; again Sen's functionings and capabilities approach).

The minimal interpretation, that concentrates on a minimum level of well-being, is most practicable when one is interested in comparing or monitoring living conditions in countries that are very poor off or extremely inequalitarian. If, in contrast, one is interested in the quality of life of (categories of) people in relatively affluent societies where almost everyone is secured of the means for subsistence, the second interpretation is more applicable. Although Michalos' multiple discrepancies theory, Schulz's resource theory and Sen's functionings and capabilities approach do interpret subjective well-being in the sense of the extent to which goals or aspirations can be attained, they do, however, not specify what goals people strive for, and are in that way still empty. Unless a specification of goals, preferably hierarchically ordered, is added to these approaches, they will not provide the insight we are looking for. But even if an acceptable hierarchy of goals were specified, these approaches would still be silent with regard to the behavioural processes and mechanisms underlying the realisation of goals. Summarising, it appears that the field of quality of life studies is in need of a theory of individual goal directed behaviour, as well as of a specification of a hierarchy of goals.

In section 2.4., the search for a suitable theory of individual goal directed behaviour and for an accompanying theory of goals will be started. Given the considerations expounded here regarding what characteristics these theories are desired to have, the logical place to start this search seems to be the realm of the rational choice approach. For this approach explicitly takes individual goal directed behaviour as its starting point.

## **2.4. In search for a theory on the production of well-being: recourse to a Rational Choice approach**

### **2.4.1. RATIONAL CHOICE SOCIOLOGY: WHY SHOULD WE SEEK HELP HERE?**

In the above, we have assessed the need of quality of life studies for an individual level theory of goal directed behaviour and an accompanying specification of goals. We have also seen that none of the approaches and theories that are currently in use in that field possesses the desired combination of features to have the potential to provide in this need. For that reason, it appears necessary to take recourse to theories outside the subject field of quality of life studies. It is not necessary, however, to start searching unguidedly. Even though we do have step outside the boundaries of the subject for the moment, we may still prevent ourselves from getting lost in a completely unfocused search, because the set of desired features for the wanted theory, formulated at the end of section 2.3., steers us logically to one particular approach, or family of theories. This approach, or family of theories, is the Rational Choice approach.

Rational Choice sociology as a branch of the discipline has gained some position over the last two or three decades. Contrary to what is frequently believed, neither rational choice explanations nor the model of man they build on are new to the sociological enterprise, however. In fact, the approach is firmly rooted in the main classical sociological works (see e.g. Hedström and Swedberg, 1996, who stress that rational choice theory draws on an 'exceptionally rich sociological heritage', p.128).

- 1) The main distinctive characteristic of Rational Choice (RC) theory is - obviously - the assumption of rational behaviour. This assumption holds that, in any specific situation,

people behave rationally, that is, in a way that best serves their interests given the restrictions they face. This core assumption implies a number of sub-assumptions that, from the perspective of quality of life studies, it may be helpful to make explicit:

- 2) people have interests or can experience ‘utility’; people actively seek to maximise their utility or further their interests in the face of *scarcity*, which means that they need to make *choices*;
- 3) people choose between alternative actions by weighing the costs and expected utility of these alternatives, implying that people do not blindly maximise present utility but consider delayed consequences as well.

Note that this is an *assumption*: rational choice theorists do not claim or believe that all concrete persons do in all concrete situations rationally weigh the expected benefits and costs of all possible actions, but they hold that as a generally applicable simplification, this assumption provides a good approximation of reality.

Besides the rationality-assumption, there are some more special features of RC theory that are worthwhile to expound here. Three essential characteristics of RC theory are that it uses analytical modelling; that it is founded upon the principle of methodological individualism, and that it seeks to explain observed phenomena by the intentions of the actors (Hedström and Swedberg, 1996, p. 128).

As to the analytical character of rational choice theory, this means that in this type of theorising, more or less abstract models are explicitly introduced to explain concrete empirical observations. Of course, explaining or even describing empirical facts or events always requires a certain degree of abstraction and selection of what is essential in the specific case. However, in most other approaches in sociology, this incompleteness and abstraction from the overwhelming complexity of empirical reality, is less explicitly recognised. According to Hedström and Swedberg, this failure to recognise the necessity and function of abstraction may be held responsible for many irrelevant disputes in the discipline; theories, models and assumptions being attacked for being incomplete or unrealistic rather than being judged according to their success in explaining the empirical observations at hand.

Rational Choice theory explicitly chooses models that are incomplete and more abstract than reality. Its main characteristic assumption, that people behave rationally, is not presented as claiming to be an accurate description of real individual behaviour, but rather as a simplification which, if applied in the explanatory model, works quite well. The typical explanatory model in rational choice theory seeks to incorporate only the essential features of situations that guide utility-maximising behaviour. The quality or value of rational choice models is thus not determined by the extent to which they describe reality truthfully, but by the adequate choice of situational characteristics on which the potential to provide intentional explanations of the empirically observed behaviour depends.

As to the principle of methodological individualism on which rational choice theory is founded, this holds that “social phenomena are in principle only explicable in terms of individuals’ actions” (ibid., p. 131, referring to Schumpeter, 1908, p. 88-98)<sup>16</sup>.

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<sup>16</sup> It is possible to distinguish between a strong version of methodological individualism, in which only explanations are accepted that include no references to aggregate social phenomena in the explanans, and a weak version in which non-explained social phenomena are accepted as part of the explanation (ibid, p. 131, referring

Methodological individualism stands in sharp contrast to other theoretical approaches that hold that “structural outcomes can and should be explained directly in terms of structural causes, without giving any explicit attention to the role of human agency” (ibid., p. 131). For a methodological individualist, explaining processes that generate macro-level change and variation requires showing how macro-states at time 1 influence the behaviour of individual actors and how their actions add up to new macro states at time 2 (ibid., p. 131). Coleman (1990, p. 3-5) formulates the arguments in favour of methodological individualism with compelling force, although he emphatically states that it is the *internal analysis of system behaviour* he wants to promote, which need not in all cases mean that the ‘below system level’ of the explanations indeed be the level of individual actions and orientations. Coleman proposes four reasons for choosing to explain system level phenomena by “examining processes internal to the system, involving its components parts, or units at a level below that of the system”. Firstly, this strategy enables researchers to have larger number of cases for their statistical analyses as well as a better fit between the unit of analysis and the level at which the data are gathered (which is often the level of individuals). Secondly, when intervention should be considered, there are clear advantages in explaining phenomena at the same level as that where interventions can implemented: ordinarily a level below that of the system as a whole and often the level of individual actors. Only if the explanation provides insight in the processes at the same level as where the intended intervention is to take place, it provides guidance for designing such interventions. Thirdly, Coleman argues that “explanations based on internal analysis of system behaviour in terms of actions and orientations of lower-level units is likely to be more stable and general than an explanation which remains at the system level”. Fourthly, as Coleman points out, the model of man implied in methodological individualism deviates from that of the *homo sociologicus*, and allows for a more intentionally acting and responsible man. This model of a rational, purposefully acting man is more congruent with the very point of departure of much sociological research, namely the belief that the functioning and development of social systems is not merely an autonomous process, but that it is susceptible to changes in the behaviour of the system’s parts.

As we saw in section 2.3., also in quality of life studies it is desirable to take the individual level as the level of analysis, because it is at this level that we may find the process and mechanisms which relate objective conditions to subjective well-being. Only through understanding the process of the realisation of well-being at the individual level, it may be possible to explain differences in well-being between people and to establish the role and importance of particular resources for the achievement of quality of life.

As to the third essential characteristic of the rational choice approach, the emphasis on intentional explanation, this term refers to the distinction Elster (1983) made between the types of explanations used by social scientists: these are either causal, functional or intentional (or combinations of these). According to Hedström and Swedberg, “it can be shown that all reasonable functional explanations can be expressed more clearly in causal and/or intentional terms” (ibid., p. 132).

Causal explanations usually consist of showing statistical causality, that is, they show that empirically a certain event A is usually followed by another event B. When it is checked that

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to Udehn, 1987). However, the weak version of methodological individualism is used in the large majority of applications as it allows to address a far larger and more sociologically relevant range of explanatory problems.



no other event is likely to be the cause of both A and B, the causal explanation of B by A is accepted. However, this kind of causal explanations do not provide insight in the question why A would lead to B, i.e. what the underlying process or behaviour is. To understand the link between the occurrence of B as a consequence of A at a deeper level, we want to understand why the individual actors involved choose to behave upon situation A in that way which brought forward situation B. That is, we then look for *Verstehen* (Weber, e.g. 1904, 1922), or an *intentional explanation*.

An intentional explanation seeks to explain individual behaviour by reference to the outcome it was intended to bring about<sup>17</sup>. This is not to say that such explanations need study the actual subjective meanings of the concrete actors, in the rational choice approach they rather have an analytical form, which “obtains generality by the attribution of purpose to actors. The theoretical analysis consequently (...) [involves] the intentions of typical, but hypothetical actors” (Hedström & Swedberg, 1996, p. 132). As Coleman (1990, p. 13) phrases it: at the individual level, purposive theory of action is

“ordinarily the dominant model of action we apply when we say we understand the action of another person: we say that we understand the ‘reasons’ why the person acted in a certain way, implying that we understand the intended goal and how the actions were seen by the actor to contribute to that goal”.

This third characteristic of the rational choice approach is not the same as, but neatly fits with the broadly accepted notion in quality of life research that subjective well-being should - at least partly - be explained as a consequence of the extent to which a person succeeds in realising his or her goals (which implies that people do have goals and strive to realise these, and that the mechanisms involved in the realisation of subjective well-being are closely related to the process in which the individual pursues his goals).

Considering the core features of the rational choice approach, it appears that this approach is highly congenial to the main notions in quality of life research, and in particular to the kind of theory that is wanted for the field of quality of life studies. This provides an argument for recursing to the rational choice approach in the search for a theory of goal directed behaviour that can be applied to quality of life studies. In the following subsection, the prototypical explanatory model in the rational choice approach is expounded at some length, in order to make clear how goal oriented behaviour is usually modelled in the RC approach. After this, the discussion will again be focused more strictly on the search for a suitable and practicable theory of goal directed behaviour.

#### 2.4.2. THE PROTOTYPICAL EXPLANATORY MODEL IN RATIONAL CHOICE SOCIOLOGY

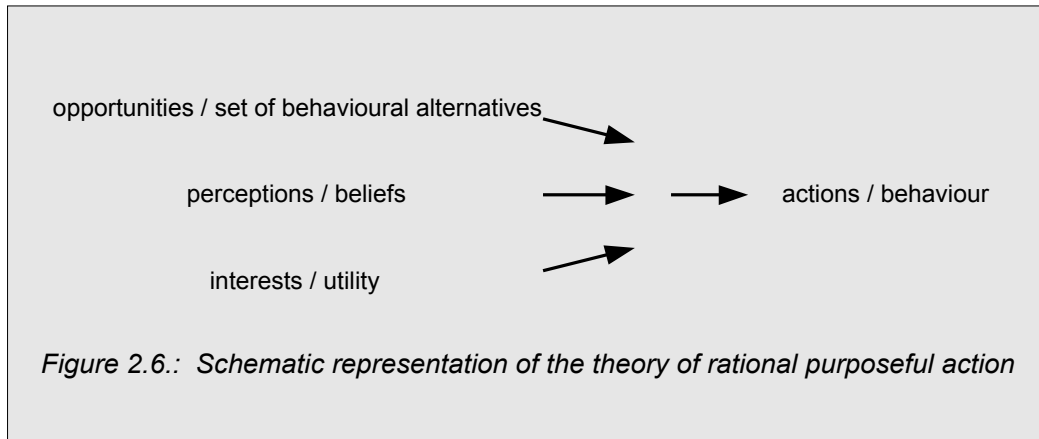
The characteristic features of rational choice theory expounded above, materialise in the prototypical explanatory model used in the RC approach. This typical model is a central tool in RC explanations, offering a broadly applicable system for systematic situational analyses and supporting the analyst in getting a firm grip on the different components of the theory. In the exposition of the typical RC explanatory model, I will identify the typical elements of

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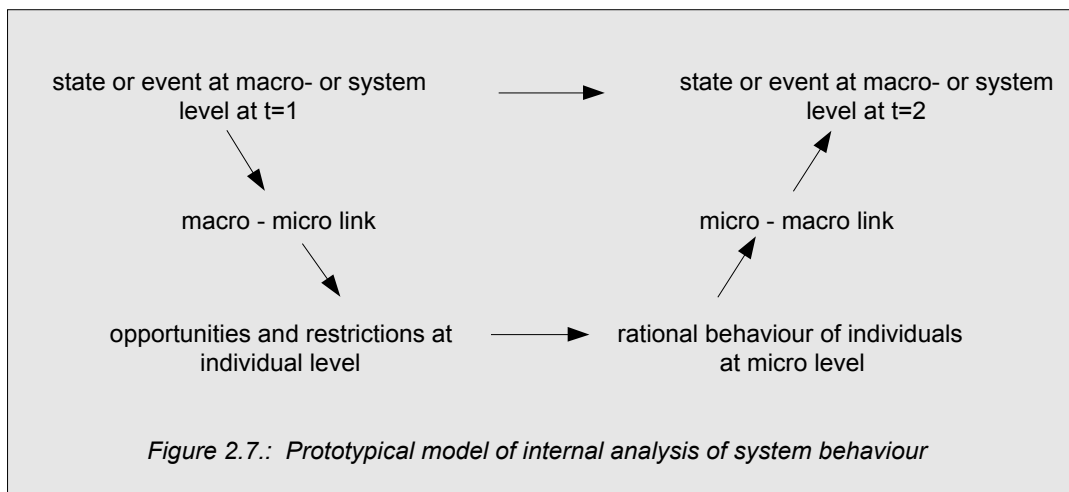
<sup>17</sup> In this sense, it appears that many people who would not consider themselves as adherents of the rational choice approach, in fact tend to use the same assumptions when trying to explain behaviour. As Hechter & Kanazawa (1997, p. 192) aptly put this: “many sociologists, like the character in Moliere’s *Bourgeois Gentilhomme* who was startled to learn that he was speaking prose, unwittingly rely on rational choice mechanisms in their own research.”

the model as this may help the reader to see how it can be applied to explain different elements of empirical reality and what its limitations are.

In its most elementary form, the assumption of rationality can be modelled as follows:



This partial model represents the assumption that all behaviour can be understood as the results of individual choices for that course of action that best serves their individual interests given the opportunities and constraints of the particular situation. The complete prototypical explanatory model in RC studies comprises more elements than merely this theory of purposeful action, however. Given that sociology is mainly concerned with the interplay between the macro and the micro level of social systems (see Coleman, *ibid.*, p. 6 and further) rather than with the behaviour of isolated individuals (as psychology is), the theory of rational individual behaviour is typically applied to explain observed phenomena at aggregate levels, thus the explanatory model does include these aggregate states as well:



This form of the RC-model is the form that is usually referred to as Coleman's (1990) model of internal analysis of system behaviour. Its main and obvious merit lies in the fact that it seeks to explain aggregate phenomena in terms of the disaggregate individual actors' behaviour (cf. section 2.4.1.). According to Coleman, the main problems for the analyst to solve are the macro-to-micro and the micro-to-macro transitions. Any model or theory that

fails to explicate these transitions is incomplete.

Coleman places most emphasis on the micro-to-macro transition, or the aggregation of the individual behaviour. This problem of how to aggregate outcomes at lower levels to outcomes at the system level is indeed often a complex one. It is seldom adequate to merely sum the individual actions; the more the macro level really refers to a social *system*, the less likely it is that simple summing of micro outcomes will suffice. Thus, the complete typical RC-explanatory model needs statements (so-called *transformation rule*, Lindenberg 1983) that specify how the actors' individual behaviour aggregates to a new state or event at the aggregate or macro level. It depends on the phenomena, or the dependent variable at the macro level, under study what is an adequate micro-macro assumption. In some cases, e.g. when studying election outcomes, it may be adequate to simply sum individual behaviour. When studying collective action, an assumption that involves a threshold value may be more appropriate. In many cases, however, when the eventual aggregate outcome of individual behaviour depends on more complex interactions and when there are interdependencies between the behaviours of the actors at the micro level (such as in competition or bargaining situations), even more complex assumptions may be called for.

The reason why Coleman puts more emphasis on the importance of adequate modelling of the micro-to-macro transition than on adequate bridge-assumptions for the macro-to-micro transition, seems to lie in the fact that the former tends to get less attention from theorists than the latter, rather than in any ground for believing the one to be more crucial for adequate modelling than the other. It is the macro-to-micro link, however, where our interest and that of quality of life studies lies. I presently turn to that part of the model.

The macro-to-micro link typically consists of so-called bridge assumptions (Lindenberg 1983) that explicate how the parameters of the action selection for the actors at the micro level is affected by the phenomenon (the independent variable) at the macro level. These bridge assumptions are the main tools for systematic situational analysis. They are represented by the arrow from the state or event at the aggregate level at time =1 towards the action situation of the micro-level actors.

Given the assumption of rational purposeful behaviour (see figure 5) it is logical to structure the situational analysis accordingly, that is, to specify bridge assumptions for each of the separate elements of the model of behaviour at the micro level. Thus, application of the explanatory model would require bridge-assumptions on the micro-actors' set of behavioural alternatives, their perceptions or beliefs regarding these, and their interests or utility. The most obvious effect of macro states on individuals' action situation is the effect on their set of behavioural alternatives: the constraints and opportunities for interest seeking behaviour. Although some constraints upon and resources of individual actors with regard to their interest seeking potential are not (or not closely) related to macro states (such as individual inborn talents or handicaps, or constraints caused by age), much of the set of behavioural alternatives is determined by the macro-situation the actor faces. And even when individually determined resources and constraints are concerned, the effects of these on one's set of behavioural alternatives are often dependent upon the external situation<sup>18</sup>. In the RC-

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<sup>18</sup> In any case, it is the interaction between macro states and individual behaviour that is the core of the sociological discipline; constraints and resources that are purely individually based and are not affected by

model, the situationally salient constraints and resources often constitute the core of the situational analysis (whether the actors are assumed to perceive these constraints and opportunities correctly or not, see below). The typical modelling - roughly spoken - often takes the form of: (a) what are the alternative courses of action open to individuals in the situation at hand; (b) what resources should the actor have in order to be able to perform each of the alternative courses of action; and (c) what are the costs and expected benefits associated with the alternative courses of action. On the basis of these three elements, the most rational course of action for different actors, given their different control over relevant resources, can be identified.

In order to maintain the analytical character of modelling, only a few features of the empirical situation at hand are selected for inclusion in the model, for reality is far too complex to represent integrally in any model. This means that it is part of the task of the analyst to decide which are the salient constraints and resources, thus the relevant behavioural alternatives in the situation under analysis. It seems logical, however, that only after deciding what are the actors' general goals or interests, there is a criterion for deciding what are the relevant behavioural alternatives and the restrictions. Yet in many specific applications, there are so-called *institutional utility arguments* (Lindenberg 1980) that can serve instead of a general theory of goals in analysing a situation. Institutional utility arguments are institutionalised instrumental goals. For example, the assumption that the main goal of entrepreneurs in a market situation is to make profit is an institutional utility argument.

These institutional utility arguments, however, are no sufficient solution for modelling. In situations where the goals and interests of actors are not institutionalised, it seems that some general or 'final' goals must dictate what features of the situation form constraints upon the realisation of these goals, and what are the relevant alternative courses of action. The objective restrictions to the set of alternative actions will in their turn influence the shape of the situational goals.

Generally, the specification of assumptions concerning the restrictions and resources and the set of behavioural alternatives for RC modelling will be closely related to the specification of general and situational goals; the two elements of the model are closely interdependent. To be able to arrive at a sensible selection of what restrictions and behavioural alternatives to include in the model, it seems that the rational choice explanatory model does need an assumption concerning the actors' general goals or interests.

In recent years, theorists have increasingly sought to build models which better fit psychological reality, that is, many RC adherents have worked to incorporate the insight that people, when trying to choose rationally, choose their actions on the basis of their *perception* of the behavioural situation and their *perceptions or beliefs* regarding the future consequences of alternative courses of behaviour. These perceptions or beliefs need not necessarily be an accurate representation of the actual set of behavioural alternatives and of the future consequences of actions, and, what is more, the actors' perceptions are necessarily a selection of the most salient features of the choice situation, as (see above) the 'real' situation is far too complex to be mentally mapped inclusively. Thus, letting go of the simplifying assumption of perfect information, more complex assumptions concerning the actors' perception of the situation were needed, which can be summarised by the term *bounded rationality* (cf. Simon

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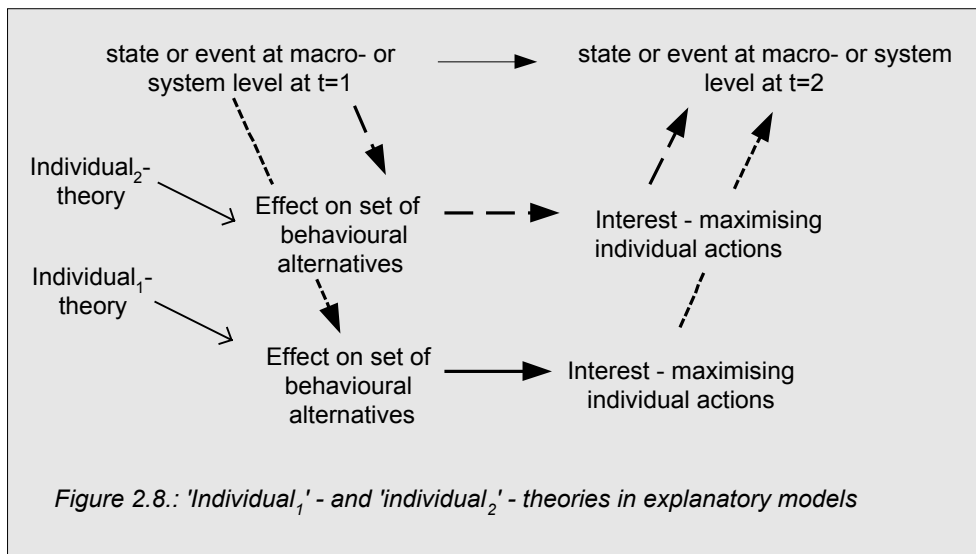
external factors rather belong to the field of the psychological, medical or biological disciplines.

1982). The more complex assumptions that have been suggested and used include - amongst others - that of short-sightedness, framing etc. (e.g. Lindenberg & Frey 1993; Kahneman & Tversky 1979, 1984; Loewenstein & Elster 1992).

In their presentation of the 'prototypical RC explanatory model', Hedström and Swedberg give the perceptions or beliefs of the actors a place as basic element in the model (ibid. p. 128). However, it seems more legitimate to leave the choice whether or not to use the assumption of perfect information (as is e.g. done in the standard analyses of a perfect market in economics) to the discretion of the theorist. This would imply that one should not go further (neither less far) than asserting that the prototypical model includes *an assumption* on the actors' information and perceptions about their situation, this assumption may be either that of perfect information or a more complicated assumption.

It should be mentioned here that there may be a danger in replacing too simple, or too abstract assumptions with more complex assumptions that more closely represent reality. This danger is that, in trying to capture empirical complexity more truthfully in the model, the model may lose much of its potential for its original purpose of analytical explanation. This danger looms large particularly when the emphasis tends to shift from the relation between the macro level and the behavioural situation of the micro level actor towards complex processes and mechanisms within the micro level actor. This distinction, which approximately coincides with the sociological versus the psychological realm of theorising, is extensively discussed in Lindenberg (1992, p. 6-8) who calls the former type 'individual<sub>2</sub>' theories, and the latter type 'individual<sub>1</sub>' theories. 'Individual<sub>1</sub>'-theories are theories that are designed to be used at a lower level of abstraction than the 'individual<sub>2</sub>'-theories, which are more common in and useful for the sociological mode of analysis. The main difference between 'individual<sub>1</sub>' and 'individual<sub>2</sub>' theories is that the former require far more empirical information at the level of individual actors than the latter, the former are far more 'greedy'. 'Individual<sub>1</sub>' type theories are generally the more adequate for the aims of typical applications of a theory in psychology. But for the typical applications of theory in rational choice sociology, and in particular for application in quality of life research, the latter type is much better suited. The difference between the two types of theory is perhaps most easily perceived when represented graphically in form of the prototypical explanatory model that was explained above (see figure 2.8.).

Figure 2.8. illustrates that 'individual<sub>1</sub>'- theories go 'deeper' into the processes at the individual level than 'individual<sub>2</sub>'- theories, which remain more superficial. But 'individual<sub>1</sub>' theories can only do so at the cost of increasing the distance to the macro- or system level in the explanatory model, thus by straining the macro-micro and the micro-macro links. (Note that in figure 2.8. I left out the arrow from the micro level back to the system level for the 'individual<sub>1</sub>' theory. I did so because this micro-macro link is seldom achieved). If the purpose of the analysis lies primarily in the understanding of what happens at the individual level, 'individual<sub>1</sub>' theories are likely to be more adequate than 'individual<sub>2</sub>' theories. If, instead, the primary interest of the analysis lies in the macro-micro and micro-macro links, i.e. on the explanation of system level observations through processes on the level of the system's constituent parts, 'individual<sub>2</sub>' theories are more appropriate, even though they are less refined and detailed with regard to the precise processes within the individual actors.



It thus depends on the purpose of the analysis what type of theory is the more appropriate. The two types of theories are not necessarily antagonists, they rather complement each other and ideally they should also be compatible to each other. That is, if the problem one is dealing with calls for a relatively superficial 'individual<sub>2</sub>'- theory, one should ideally use one which is not at odds with the more refined insights into the individual-level process that relevant theories of the 'individual<sub>1</sub>'- type provide. If using an 'individual<sub>2</sub>'- theory, one need not heed all intricacies of the process within the individual actors, but if possible, one's theory should not be in opposition to those who do.

The question whether or not one should use more complex and realistic assumptions concerning the actors' perceptions of their situation cannot be answered in general. This depends on the particular research question one is interested in. But in filling in the assumptions of the macro-micro link, one should always keep the distinction between 'individual<sub>1</sub>'- and 'individual<sub>2</sub>'- type theories in mind, and decide which type of theory it is that one wants, prior to choosing the actual assumptions one will use.

Now to which of these two types should the theory that is wanted for quality of life studies, for which we are looking, belong? In the previous section it was stated that what is wanted is a theory that explains how subjective well-being is realised at the individual level and what is the role therein of objective conditions. So we do want some insight in what happens at the individual level. Yet the main purpose for which we want to have such a theory is the investigation of (conditions for) quality of life at aggregate levels, typically the comparison of the well-being of various groups and categories of people, and the explanation of differences in subjective well-being between these. A theory that is very 'greedy' with regard to information at individuals' level is not very practicable for this purpose. So we want our theory to be of the 'individual<sub>2</sub>' type, yet it should as much as possible build on knowledge and insights which relevant 'individual<sub>1</sub>' type theories can offer.

With regard to how the assumptions concerning the actors' perception of their situation should be filled in in the theory we are looking for, this means that - at least in the beginning - we may choose to keep it as simple as possible, that is, not to worry about framing effects et cetera and just assume people to have perfect perceptions of their situation. If desirable,

complications concerning imperfect perceptions or *bounded rationality* may be added to the theory we hope to find in later phases. For the present, the main concern is to find a practicable theory of individual utility-maximising behaviour, and in the search for this the filling in of the assumptions concerning the actors' interests and goals is much more important. In the next subsection, I will discuss the problem of how to find adequate assumptions concerning the actors' goals and interests at some length.

#### 2.4.3. THE CHOICE OF ADEQUATE BRIDGE-ASSUMPTIONS FOR THE MACRO-MICRO LINK: THE ACTORS' GOALS

The third and final element of the basic behavioural model (see figure 2.6.) are the actors' goals. For the model to be applied to any particular situation, this last element requires specification just like the other elements to arrive at a 'complete' explanation or prediction. It is impossible to judge which of a number of alternative courses of action best serves the actors' interests<sup>19</sup>, and thus, what would - given the behavioural situation under study - be a rational response, if the actors' interests remain unspecified. This argument may be carried even further, by pointing at the impossibility of selecting the relevant restrictions and opportunities for situational analysis when the actors' goals are not previously specified. In short, the explanatory model needs assumptions regarding the actors' goals as well.

For a long time, researchers have shrunk from the task of specifying actors' goals, probably largely due to the success and influence of the economic approach to this problem. In economics, the prototypical explanatory and predictive model is essentially similar to the typical RC model as it is presented here, but essential to the economic paradigm is that it consistently uses the same particular assumptions as bridge-assumptions. These consistently applied assumptions of the traditional economic model are the following. In the first place, the actors' goals, i.e. their utility are considered to be unknown and idiosyncratic, but they are assumed to be reflected in *revealed preferences*. In the second place, preferences are assumed to be *stable*. In the third place, preferences are assumed to be *individual*, meaning that it is considered acceptable to explain differences in behaviour between individuals by asserting that their individual preferences or tastes differ. In the fourth place, essential to economics is the bridge-assumption with regard to the relevant constraints and opportunities: these are assumed to be given by budgets and (relative) interpersonally objective prices, which are both measured and defined in terms of scarce and tradable goods, i.e. market-goods.

These economic bridge-assumptions imply that, to explain or predict behaviour, it is always crucial that the actors' previous or 'initial' revealed preferences be known. Just knowing a person's budget and the prices of the available commodities does not provide sufficient information to explain what combination of commodities this person will purchase (unless one would accept as such the tautology that the observed behaviour is explained by the preferences it reveals). What seems crucial to the application of the explanatory model using

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<sup>19</sup> In this and the following section, the terms goals, needs, interests and values are frequently used. They are not synonymous. Stated simply, *values* are what people, according to the holders of the value, ought to strive for. *Goals* are the things that people actually strive for, and they may be substitutable. *Needs* reflect the essential requirements for people to remain (biologically and psychologically) well, and they are not substitutable. *Interests* are usually conceived of as people's economic goals, but sometimes I also use the term to refer to things 'of interest' to people, to things that are useful to them in the pursuit of their goals.

the traditional economic bridge-assumptions is that it should concern some *change in comparison to a previous state*, e.g. the effect of a change in relative prices, or the effect of a change in the actors' budget. A comparison of different (groups) of individuals, making different choices under different economic conditions (such as the budget constraints and the relative prices), can, given the set of assumptions outlined here, not conclusively point at the situational constraints as the explanatory variables, for the basic assumption that preferences are individual implies that the (groups of) individuals that are compared just make different - but still rational - choices because they derive utility from different things.

The traditional set of economic bridge-assumptions offers a powerful and successful tool for modelling. However, its restrictions that were just presented limit its use for the situational analysis (Hedström & Swedberg 1996) or internal analysis of system behaviour (Coleman 1990). For the very aim of these modes of analysis is to explain the way in which certain system-level outcomes occur *as a consequence of the influence of some prior system-level circumstance on the behaviour of its parts*. Using the traditional economic set of bridge-assumptions it is only possible to arrive at such an explanation when individual variations in preferences as a source of differences in behaviour can be ruled out, that is, when the researcher has information on the behaviour (the revealed preferences) of the actors prior to the moment when the system-level independent variable(s) took effect. And even then, the revealed preference assumption only works if preferences are assumed to be stable. In cases where such information is not available, or when it is not adequate to restrict the analysis to behaviour involving economic commodities, a different set of bridge-assumptions is thus needed.

This certainly applies to the case of quality of life studies or, more specifically, to the problem of how objective conditions affect the realisation and level of subjective well-being. This problem is typically studied in contexts where there are no systematic individual level data about revealed preferences. Moreover, the process it concentrates on is likely to involve largely non-market goods and the restrictions that are relevant in this process are likely to lie largely outside the sphere of traditional economics. As was explained in section 2.2., the very origin of quality of life studies and its core question lies in the rejection of the traditional economic view of well-being and in the desire to add to this restricted view by extending the scope of the quality of life concept beyond the limited realm of market goods and economic restrictions.

Many applications of the RC-explanatory model in sociology indeed deviate from the strict set of assumptions about individual preferences from the traditional economic modelling, often for the reasons mentioned above. In such cases, when the traditional economic bridge-assumptions are not adequate, different assumptions are required for making the model operational, as for any situational analysis of rational behaviour the interests of the actors need be specified. The difficult question is how this is to be done.

In any case, the assumptions should do away with the notion of individual preferences in order to avoid the very restrictions attached to the traditional economic modelling. In some way then, the bridge-assumptions concerning the actors' preferences should assert that differences in actors' goals be either absent or be only dependent on situational constraints<sup>20</sup>.

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<sup>20</sup> This intentional abstraction from possible psychological differences between actors also contrasts the typical model of man used in sociology to the model of man typically used in psychology, see Lindenberg 1992. Note, again, that the abstraction serves a *model*, which is a tool to facilitate dealing with the complex reality rather than an attempt to describe reality.



Hedström and Swedberg (1996, p. 129) seem to suggest that the interests or behavioural goals of the actors should be situationally specified. They do however not offer any suggestion as to how this be done.

In principle, it seems that there are three alternatives to the *revealed preferences*-solution. The *first alternative* is a pure ad-hoc specification of goals, formulating assumptions concerning the actors' goals ad hoc in every application of the model. The *second alternative* is to assume that there is a particular set of specified goals that actors seek to maximise in no matter what behavioural situation, i.e. one could choose to specify the most likely universal goals, and have these as the goal-element in each application of the model. The *third alternative* at first sight resembles a compromise between these two extremes, and is in fact a further elaborated version of the second alternative. This would be the assumption that there exists a fixed set of universal goals, which may in different concrete situations translate into different situational goals that are instrumental to the maximisation or achievement of the universal goals.

The choice between these three alternatives is not merely a matter of personal taste: it also has implications for the value of the models that are built and for the generalisability and potential of the explanations and theories that are derived. If one chooses the first alternative (as I believe many do), one must be prepared to accept the disadvantage connected to all ad hoc explanations, namely that it hardly contributes to more general theory formation. In my opinion, this would be a sufficient argument to prefer one of the other alternatives. However, even if one is willing to take the lesser theoretical value of ad hoc explanations for granted, it may prove more difficult than it seems at first sight to stick to this first alternative. The problem that may arise is that not all ad hoc specifications of goals may be accepted by one's audience, and not all ad hoc specifications of goals may result in explanations in the sense of *Verstehen*. For a *Verstehen*-kind of explanation, the specification of the situational goals should *make sense* to the readers.

Consider some simple problem like the following. It may often happen that when certain things (e.g. alcohol consumption, or purchasing violent computer games) become forbidden for children, the forbidden behaviour will become more frequent for some sub-groups of youths. A possible ad hoc explanation could involve the assumption that all children like to be punished, and that they therefore all strive to do whatever will cause punishment, and that the children who are most skilled to avoid preventive measures succeed in attaining this utility-enhancing state. However, I have little doubt that the theorist who would propose this explanation would receive very little respect, because this explanation makes far 'less sense' than an explanation based on the assumption that youths seek status and distinction for being tough and daring, and that the chance of punishment is not the motivating factor, but one of the costs they are willing to pay for the status they may get. This accords with Hedström & Swedberg's assertion that, while assumptions should simplify reality and thus not represent it exactly, "there are no inherent advantages in basing theories on descriptively false assumptions" (ibid., p.130).

It is important to realise the implications of the fact that most people would agree on which goal-assumptions 'make sense' or 'make no sense', even if they have never themselves been in a situation similar to the one under analysis. It seems to imply that the second or third alternative are closer approximations to reality than the first, and that in fact the specification of actors' goals in an ad hoc manner - if plausible - is hardly an arbitrary process. Obviously,

even when researchers choose for 'ad hoc' assumptions about actors' goals, they do base their choice of what goals to assume on some consistency check with general ideas about what people seek and value. In my opinion, if this is the case, it is hardly legitimate to continue 'ad hoc' specification of goals instead of attempting to make the implicit 'reasonableness'-standard explicit and thereby enable progressive theory formation.

Now what if one prefers the second alternative? That is, what happens when assuming that individuals have a fixed set of particular goals, which is similar for all people? Obviously, in order to receive at least some acceptance, such a set of fixed goals should be chosen carefully to correspond as good as possible with general notions of what people need or value. This can in all likelihood only be achieved when the goals that are chosen are formulated at a sufficient level of abstraction. The more concrete and specific the goals that are assumed, the more opposition and disagreement one should expect to arise. For example, the assumption that all people value pleasure will hardly be challenged, but much disagreement is to be expected when trying to define pleasure in less abstract terms, i.e. when one would assume that all people value and seek pleasure from games or from comics. There have been multiple attempts to define and gain consensus on a set of goals or needs that apply to all people (cf. Ford 1992; Maslow 1954; Erikson 1977, etc; see also section 2.5.). The encouraging thing about these attempts is that, though there is by no means consensus on what exactly is the best typology of goals or how certain goals should best be conceptualised, there appears to be a broad base about which general agreement exists: all typologies of goals or needs include the basic biological or physical needs of the human organism, they all include some element referring to positive functioning of the individual in relation to other individuals, some element referring to positive functioning of the individual as distinct from other individuals, and some element referring to the full development of one's talents and capacities.

As bridge-assumption in the RC explanatory model, however, the specification of an assumedly universal set of fixed goals seems insufficient to serve the purpose of situational analysis. That is, when applying the model to concrete situations in order to explain and understand the course of action that the actors choose, the abstractly conceptualised universal goals will always need to be translated into the concrete outcomes the actors expect from their alternative actions. Thus, when using a theory of universal fixed goals as assumption concerning the actors' interests, one needs to make additional situational bridge-assumptions (whether explicitly or implicitly) to analyse any concrete choice situation.

For example, suppose that 'being admired' would be a universal fixed goal. If, from this goal, we would want to explain how women walking react to getting flattering remarks or being whistled at in passing on the street, it is clear that we need to know the situational goals. When the woman is alone, she may indeed feel gratified in her desire for admiration, and 'accept' the remark or whistle. When instead she is together with some other women, she may feel it necessary to remain aloof, in order to retain the other women's admiration. In that case the situational goals might be 'being admired for being above vulgar remarks', 'being admired for getting admiring remarks from strangers and not being sensitive to it - perhaps because of being used to it?'. Depending on the group of others she is with, she may also want to react to the stranger with some witty or daring remark. In that case the situational goals might be 'being admired for being witty' or 'being admired for being daring and self confident'. Often, the translation of the abstract universal goals into the concrete expected consequences of behaviour upon which the actors base their choice of action will appear self-evident and even trivial. But however trivial the translation, for the sake of theory formation it should

better be made explicit.

The solution suggested above, to complement the assumption of a set of universal fixed goals with additional assumptions on the translation of the universal goals into specific consequences of the alternative actions the actors choose from, comes very close to the third way to deal with the goals-element in the explanatory model. This third way was above referred to as a more elaborated form of the 'fixed set of universal goals'-solution.

This third option would, like the second, consist of the assumption that there exists a fixed set of universal goals, which in different concrete situations translate into different situational goals. (Such situational goals can also be called *instrumental goals*, as they are instrumental to the realisation of one or more universal goals.) The difference would be that here the theory of goals would include a specification of the mechanism by which such concrete situational goals are related to the abstract goals and to one another.

It would thus also include criteria for deciding whether certain concrete situational goals should be considered to be complements or substitutes in their relation to the abstract universal goals. It is relevant that hypotheses about this can be deduced from the theory of goals, because the rationality of alternative courses of action depends on the functional relationship between the alternative concrete goals. In principle it seems that this third option for filling in the bridge-assumption concerning the actors' interests is preferable to the second (and thus also to the first). It is to be preferred above the second for two reasons.

In the first place, when the theory of goals that is used already includes the criteria for deciding what are the interrelations between concrete situational goals, and how these in turn are related to the abstract universal goals, this enables the researcher to focus all attention on the situational analysis at hand. By reducing the number of 'unknowns' (or ad hoc elements) in the general part of the explanatory model, the researcher is forced to more detailed, systematic and precise analysis of the situational factors explaining behavioural variations.

In the second place, this fixation of one more part of the explanatory model makes it more clear when repeated failure to provide satisfactory explanations should lead to adjustment of the theory of goals<sup>21</sup>, whereas in case both the additional bridge-assumptions concerning *instrumental goals* and the selection of salient situational factors are left to vary, it is far more difficult to find criteria for adjusting either.

Thus, in cases where the traditional economic assumptions regarding preferences do not provide an adequate tool for the problem under study, there seems to be good reason to prefer replacing them with a theory of goals that consists of at least two parts: (1) a specification of a set of assumedly universal goals at a sufficient level of abstraction to make them receive broad consensus and enable their application to diverse concrete situations; and (2) a specification of the way in which situationally determined concrete interests or instrumental goals relate to the abstract universal goals and to each other.

It was explained above that for the case of quality of life studies, and in particular for the problem of how objective conditions affect the realisation and level of subjective well-being, the traditional economic assumptions are not adequate. Thus the next step in the search for a theory about the realisation of subjective well-being must be to find a theory of goals that

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<sup>21</sup> In such a case, it is of course that part of the theory that deals with the specification of how concrete situational goals are related to the abstract goals and to one another, that should in the first instance be adjusted, and only if adjustments in that part of the theory do not lead to improvement, one should seek a solution in adjusting the set of abstract universal goals.

meets the two criteria just formulated. The rational choice approach proper does not contain or prescribe the use of particular substantive theories of goals. The best strategy for finding an appropriate quality of life theory therefore seems to take the general behavioural assumptions of the rational choice approach and complement these with a congenial theory of goals that meets the two criteria above.

## 2.5. Pursuing the search for a theory on the production of well-being: an excursion into theories of human goals

### 2.5.1. IN SEARCH FOR A THEORY OF GOALS: WHAT TO SEEK AND WHERE TO LOOK

This section simply proceeds from where the foregoing section ends, that is, from the conclusion that a rational choice approach appears well-suited to the theoretical modelling of goal-directed behaviour in quality of life research, but that it needs be complemented with a theory of goals, which the rational choice approach proper does not include. Of course, not any theory of goals will equally suit our purpose and complement the basic behavioural assumptions of the rational choice approach. Only a theory of goals that meets the three requirements that have been identified in section 2.4. will be acceptable. These requirements were that it should be an 'individual<sub>2</sub>'- type theory; that it includes a specification of a set of assumedly universal goals at a sufficient level of abstraction to make them receive broad consensus and enable their application to diverse concrete situations; and that it includes a specification of the way in which situationally determined concrete interests or instrumental goals relate to the abstract universal goals and to each other. A fourth requirement may be added: the theory of goals and the underlying model of man should be congenial to the behavioural theory of the rational choice approach, that is, its (implicit) assumptions must be compatible with those of the general model into which the theory of goals is to be fitted. A quick perusal of the literature on human goals shows that there is a multitude of lists and classifications of what would be universal, fundamental goals. For the present study it is neither possible nor necessary to consider all these different theories and lists in detail. The best strategy appears to be to first identify the main disciplinary perspectives in the literature concerning goals, and then in each perspective concentrate just on one or two theories or lists of goals which are the most influential, representative or well accepted in that area.

Now which are the main disciplinary perspectives that might offer a finding place for the kind of theory we want?<sup>22</sup> The most obvious perspective is that of motivation theories within psychology. The majority of these theories consider motivation as being directly related to human goals, and thus we are likely to find some theories or classifications of goals there as well.

A second disciplinary perspective that might offer some insights in and theories about human goals is developmental psychology. Within this subdiscipline, the work of Erikson (1963) is

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<sup>22</sup> In this section (2.5.) we will thus search for a theory of *goals*. Although in common speech the term goals may be used interchangeably with other terms indicating 'what people want' or 'what people find important or valuable', a more narrow conception is intended here. We should not confuse e.g. values with goals. A goal is something fundamentally different from a value: a value specifies what is *desirable*, or what one *should strive for*, while a goal refers to what is *desired*, to what one *strives for* (see also footnote 19). We do discuss some theories of needs, however, because at this stage identifying what people strive for has priority over the issues of whether these goals (or needs) are substitutable and whether a hierarchical ordering can be achieved. These two issues are given due consideration in the discussion of the various theories, though.

an outstanding example of theories about human goals that are related to developmental stages.

A third perspective in which insights and theories of human goals might be found is that of social biology or evolutionary sociology. Authors from this perspective attempt to derive hypotheses and theories about universal human goals from the basic premise that competition for survival has steered the ‘selection’ of organisms (i.c. people) that share certain inborn characteristics, among which are drives and emotions, which continue to shape their goals in the present. Reasoning of this kind and specification of consequent goals can be found in e.g. De Vos (1998).

Also in quite different disciplines, theories of goals can be found. For example in political and development economics, to which not only Stewart and Sen (who do not specify goals, however, see sections 2.3.5. and 2.3.6.) but also Max-Neef (1989) belong.

Finally, in applications of the rational choice model in sociology we are likely to find some theories of goals too, because - as was explained earlier - some goals must always be specified in order to make the model operational. Often the theories of goals that are applied are borrowed from one of the disciplinary perspectives above. But there is at least one theory of goals that has been developed directly for use in rational choice sociology, namely Lindenberg’s Social Production Function theory. This is the last theory of goals that is included in the discussion in this section.

#### 2.5.2. MOTIVATION PSYCHOLOGY: MASLOW AND FORD

In motivation psychology, most theories relate human motivation to needs or goals. It is therefore not surprising that many different typologies, lists and theories of goals and needs can be found in this discipline. McClelland (1987) and Ford (1992, in particular p. 174-200) give extensive overviews of the different theories in this field. Only two of these many theories are selected for present discussion. In the first place, I believe that Maslow’s (1954) pyramid of goals should be included, if only because it has been so influential since its publication. The second theory that I will discuss is Ford’s (1992) Motivation Systems Theory, which is the most comprehensive recent theory in motivation psychology. The main argument for choosing this theory to be discussed is that it incorporates the majority of currently broadly accepted insights and has achieved a synthesis of these, so that in discussing Ford’s MST we can, as much as possible, deal with the whole of motivational theories.

One of the most influential theories of human goals, which stems from motivational psychology, is Maslow’s pyramid of human goals. Many applications of this theory can be found throughout a broad range of disciplines. Also in quality of life research, Maslow’s pyramid of needs has been used as a heuristic to identify relevant aspects on which quality of life should be assessed. Below, I will first concisely introduce Maslow’s theory, followed by a critical assessment of its adequacy as a theory of goals for quality of life research.

In *Motivation and Personality* (1970 [1954]), Maslow expounds his theory of human motivation. Maslow sets out from the idea that the great variety in motivations and drives that is seen within and between cultures are only the overt manifestations of the same underlying basic needs. These basic needs are supposedly universal for all humans in all cultures, and stand - according to Maslow - in an hierarchical order. How exactly this hierarchy should be interpreted is not completely clear, a problem that I will return to below. In Maslow’s hierarchy, what will be a man’s first and foremost motivation is to satisfy his physiological

needs: the needs for food, drink, sleep and sex. Only after these needs have been satisfied to at least a minimum degree, other needs will manifest themselves and gain prepotency.

According to Maslow, the physiological needs will disappear into the background as soon as they are sufficiently satisfied, and *cease to exist as active determinants of behaviour*:

“At once other (and higher) needs emerge and these, rather than physiological hungers, dominate the organism. And when these in turn are satisfied, again new (and still higher) needs emerge, and so on. This is what we mean by saying that the basic human needs are organised into a hierarchy of relative prepotency. (...) But a want that is satisfied is no longer a want. The organism is dominated and its behaviour organised only by unsatisfied needs. If hunger is satisfied, it becomes unimportant in the current dynamics of the individual” (p. 38).

The next needs to become prepotent motivators are the safety needs, which include security; stability; dependency; protection; freedom from fear; from anxiety and chaos; need for structure, order, law, limits; strength in the protector; et cetera. After the safety needs are satisfied, the belongingness and love needs will emerge, and “the person will feel keenly, as never before, the absence of friends, or a sweetheart, or a wife or children” (p. 43). Again, after the love and belongingness needs are fairly well gratified, new needs are claimed to emerge: the esteem needs. These needs can be subdivided into two groups: the need for self esteem (achievement, adequacy, mastery and competence, independence and freedom) and the need for the esteem of others: the desire for reputation or prestige, status, fame and glory, dominance, recognition, attention, importance, dignity or appreciation.

Even if all the needs mentioned thus far are satisfied, a new restlessness and discontent is expected to develop, unless the individual achieves self-actualisation, that is, unless he is doing what he, individually, is fitted for (p. 46). Self-actualisation thus refers to the need for self-fulfilment, the desire to become more and more what one idiosyncratically is, to become everything that one is capable of becoming.

Finally, Maslow mentions the aesthetic needs, as the last category of universal needs or motivators, although he seems somewhat insecure about the position of this group of needs in the hierarchy. Often in later applications of Maslow’s work, we find the aesthetic needs excluded.

After having identified the categories of basic needs, Maslow continues to put some reservational remarks at the postulated hierarchical ordering of the needs. For one thing, it is acknowledged that reversals in the postulated ordering of needs can quite often be observed. Maslow accounts for these seeming inconsistencies by stating that

“when a need has been satisfied for a long time, this need may be underevaluated. People who have never experienced chronic hunger are apt to underestimate its effects and to look upon food as a rather unimportant thing... It then becomes possible, and indeed does actually happen, that they may, for the sake of this higher need, put themselves into the position of being deprived in a more basic need” (p. 52).

A second partial explanation for these apparent reversals in the hierarchical order that Maslow mentions is that

“people who have been satisfied in their basic needs throughout their lives, particularly in their earlier years, seem to develop exceptional power to with-stand present or future thwarting of these needs, simply because they have strong, healthy character structure as a result of basic satisfaction” (p. 53).

I should add here that Maslow never intended his theory as a theory explaining levels of well-

being. He explicitly states that it is only a partial theory of motivation, which, even regarding the subject of motivation, is “not capable of independent existence or validity” (p. 60). For our purposes, this means that we should be careful not to apply the theory *as if it were* independently tenable and valid, and even more so if we would apply it to a series of different phenomena than the ones it was originally designed to explain.

How should we now judge the adequacy of Maslow’s work as a theory (complemented with the behavioural assumptions of rational choice) for quality of life research?

Firstly, the whole idea of *motivating* needs rests upon the assumption that after any need is satisfied, discontent emerges at the subsequent level. No increase in subjective well-being is thus assumed when rising in the hierarchy of needs. Although Maslow does not explicitly state any hypotheses about a possible relation between a rise in the hierarchy of needs and changes in the level of well-being, some of the mechanisms he does explicitly mention seem to contradict the assumption of a positive relation between the two. For example, the explicitly mentioned disappearance and devaluation of already satisfied goals does not foster the idea that these satisfactions will significantly add to perceived well-being, and neither does the emergence of new and equally dominating discontent at each subsequent level. It is therefore doubtful whether the implicit assumption, in quality of life studies that are based on the Maslovian pyramid of needs, that being located higher in the need-pyramid implies a higher level of well-being, is justified.

Secondly, as mentioned above, Maslow claims his hierarchy of needs to hold only for persons whose basic needs have *not* been satisfied for a long time. This condition does not hold for the majority of people in the modern western world on which many of the studies of life quality concentrate. Thus, for the majority of the people involved in these studies, the hierarchical order of needs need not apply. This at least reduces the adequacy of Maslovian theory for explaining levels of well-being or of needs satisfactions in western societies: taking the totally deprived person as a starting point is not realistic when applying the theory to modern western societies, as the grounds for hierarchy-reversals as identified by Maslow seem to abound in the populations concerned.

Thirdly, it can be argued that the safety needs, Maslow’s second hierarchical level, are an odd category, which is - strictly speaking - meaningless. I think that safety needs are intrinsically problematic as an autonomous category; they rather seem to derive meaning only from other needs whose fulfilment requires protection. The safety needs Maslow mentions all seem to be salient only as far as they serve to protect acquired satisfactions of other needs, and secure the future availability of means to satisfy other needs. Maslow himself, in giving examples to clarify the safety needs is forced to refer to the physical needs and belongingness and affection needs as the things that require protection. I do not argue that safety is not something valuable, which people strive for, but I do argue that it had better be conceptualised as a different kind of need or goal that does not form a separate level in the hierarchy but that rather is part of each of the other hierarchical levels Maslow distinguishes.

Besides the three main objections to Maslow’s pyramid of need as a goal-theory for quality of life research, there are a few other remarks left to be made.

Where Maslow speaks of the disappearance or devaluation of satisfied needs, it seems that the mechanism he implicitly refers to is that which is generally referred to as decreasing marginal utility. In particular when applying Maslow’s theory in other disciplines, I think the understanding of what happens (and consequently the possibility of deriving predictions)

would profit from naming the observed phenomenon indeed as resulting from decreasing marginal utility of satisfiers for the basic needs.

Further, although Maslow starts out from a critical stance concerning the often too simple reliance of psychological theories on clinical evidence - that is, on evidence obtained from pathological cases - in the argumentation Maslow provides for some needs he invokes a similar critique. His arguments for considering a need as basic rather than as a variable manifestation of an underlying basic need are strongly based on clinical evidence whether thwarting of the particular need is known to lead to pathological reactions. Moreover, in many instances Maslow's judgements of what is pathological seem to rely heavily on culturally biased norms of what is 'healthy' and what not.

When, finally, we consider the extent to which the theory of Maslow suits the four criteria formulated in section 2.5.1., we find that the fit is considerable, but not perfect. The first criterion, that the theory of goals we want should be of the 'individual<sub>2</sub>'- type, is met by Maslow's pyramid of human needs. There is of course no strict dichotomy of theories into 'individual<sub>1</sub>'- and 'individual<sub>2</sub>'- types, these two types are rather the poles of a dimension, but in any case Maslow's theory of goals is certainly located near the 'individual<sub>2</sub>'- type pole. The second criterion, that the theory must specify a set of universal goals at a sufficient level of abstraction to make them receive broad consensus and enable their application to diverse concrete situations is also sufficiently met in Maslow's theory of goals. I think that the fact that Maslow's pyramid has been so influential can for a large part be attributed to how he specified the goals: in a general sense hardly any objections have been raised to the goals Maslow poses as universal. Part of this success seems in turn due to the level of abstraction at which Maslow formulated the human goals, while also part of it is, I believe, indicative of the real existence of a number of universal human goals.

As concerns the second part of this criterion, the applicability to diverse concrete situations, it should be noted what is the logical consequence of the theory's claim that goals that have been met cease to be salient. For this claim implies that at any moment people have but one salient goal, while all the other goals are either already realised and 'thus' fallen silent, or if they are higher in the pyramid, they are not salient yet as long as the lower goals are not all realised. This consequence of the theory is not necessarily problematic; it is up to the researcher who wants a theory of goals whether he is willing to accept this implication at the cost of the possibility to deal with substitution and relative cost effects.

The third criterion, that the theory must specify the way in which situationally determined concrete interests or instrumental goals relate to the abstract universal goals and to each other, is the one Maslow's theory suits least. Although Maslow does give some examples of how the goals in his pyramid might be realised, he does not do so systematically. What is worse, is that Maslow remains even silent on instrumentality relations between the goals in the pyramid. He just poses a hierarchical order in the satisfaction of basic needs, while, I believe, much could be clarified by paying attention to the instrumentality of lower order needs in the achievement of higher order needs. For many elements in the Maslovian pyramid, instrumental relations between lower and higher levels are easily thought of, providing more logical appeal to the hierarchical ordering. In the above it was already discussed that this is especially the case for the safety-need. Overall, on this criterion I believe Maslow's theory of goals must be judged unsatisfactory.

The fourth criterion, that the theory of goals be congenial to the behavioural theory of the



rational choice approach does not cause any problem here; there is nothing in Maslow's theory nor in the implicit model of man it is built on that would be incompatible with the assumptions of the rational choice approach.

The second theory of goals from the perspective of motivational psychology that I want to discuss here is Ford's (1992) Motivational Systems Theory. Ford (1992) provides a comprehensive theoretical framework for understanding human motivation, goal systems, the influences of situational factors and the extra motivational effect of activities that serve multiple goals at once. In his Motivational Systems Theory (MST), Ford tries to integrate the major work from the motivation research program, emphasising those parts of the body of knowledge on which broad agreement exists, rather than polarising and focusing on the differences of opinion that exist.

Motivational Systems Theory (Ford 1992; Ford & Nichols 1991, 1992) contains in many aspects exactly the elements that we would want for filling in the interests-assumption in the RC model: a specification of universal goals, a specification of what situational characteristics trigger particular goals, ideas with regard to the instrumentality relations between goals, a recognition of the higher utility and motivation related to multifunctional activities et cetera. The theory is, moreover, further elaborated and comprehensive than any of the other theories or approaches discussed in this chapter. And, perhaps its most important recommendation, Ford has built his theory on the basis of those insights in motivation research and general psychology that form a common ground to all major approaches; MST thus represents the most broadly accepted insights about the content and motivating function of goals that exists in the relevant literature. Yet the theory is not well applicable as a theory of goal directed behaviour in a rational choice explanatory model.

Let's first look at the classification of goals (Ford & Nichols 1991; Ford 1992, p. 88-89) that Ford uses in his MST. Ford & Nichols distinguish 24 different human goals, ordered over six clusters that again belong to one of two main categories. The main categories Ford and Nichols distinguish are '*desired within-person consequences*' and '*desired person-environment consequences*'. The first category comprises three clusters of goals: *affective goals*, *cognitive goals*, and *subjective organisation goals*. Affective goals represent "different kinds of feelings or emotions that a person might want to experience or avoid. Cognitive goals refer to different kinds of mental representations that people may want to construct or maintain. Subjective organisation goals represent special or unusual states that people may seek to experience or avoid that involve a combination of different kinds of thoughts and feelings" (Ford 1992, p. 87).

The second category also comprises three clusters, namely the *self-assertive social relationship goals*, the *integrative social relationship goals* and the *task goals*. The self-assertive social relationship goals "represent the desire to maintain or promote the self", whereas the integrative social relationship goals

"represent the desire to maintain or promote the well-being of other people or the social groups of which one is a part. Task goals represent desired relationships between the individual and various objects in the environment (including people when they are being conceived of in impersonal terms)" (ibid., p. 87).

Together, these two categories are claimed to be exhaustive for "all possible goals representing some outcome of person-in-context functioning" (ibid., p. 87). In contrast to Maslow's pyramid of needs,

“there is no implication in either the ordering or hierarchical arrangement of these categories that some goals are more important or more fundamental than others. [...] Some goals may, on average, be more compelling than others (e.g., happiness, physical well-being, positive self-evaluations, belongingness) (Ford & Nichols, 1991), but that is an empirical question rather than a theoretical assumption. [...] It is also important to keep in mind the fact that behaviour is often (perhaps usually) guided by multiple goals simultaneously. Indeed, behaviour patterns in which multiple purposes are served by a common course of action are likely to yield unusually powerful motivational results [...] Accordingly, there is no assumption in the taxonomy that the activation of one goal will necessarily preclude the pursuit of other goals” (ibid., p. 86).

When further scrutinising the 24 goals that are subsumed in the six main clusters, two impressions dominate. The first is that the goals Ford and Nichols distinguish seem very probable and universal; there is not one of these goals I would oppose against. The second impression is that, though the 24 goals may be exhaustive, they are certainly not mutually exclusive; there seems to be considerable overlap between many of the goals. This decreases the value of the classification scheme as a heuristic or analytical tool; the aim for which it was intended.

The fact that Ford does not assume any instrumentality relations between the goals, and emphatically refrains from assuming any fixed order of importance of the different goals for the individual, implies that the classification scheme can only be applied to individual situations about which the researcher has detailed data. In other words, the scheme of goals is intended to be used in a way that is very ‘greedy’ with regard to information on the level of the particular person under study. This makes the Motivational Systems theory a clear ‘individual<sub>1</sub>’ - type theory. In its further features, especially with regard to the behavioural mechanisms it involves, Ford’s MST is even more obviously an ‘individual<sub>1</sub>’ - type theory. Thus, it does not meet the first criterion that we decided should be used. As to the second criterion, this is only partly met, because the goals that are specified - although they are likely to meet broad consensus - are not easily applied to concrete situations due to Ford’s claim that the presence and the importance of the goals strongly differs over individual persons. The third criterion, that the theory should make clear which instrumental and situational goals exist and how they lead to the realisation of the general goals, is also partly met. It is met to the extent that we may conceive of the two categories and the six clusters of goals as general goals, and of the 24 goals as instrumental goals for the realisation of these. However, the theory is silent about lower order instrumental or situational goals that would serve the realisation of the 24 goals. The fourth criterion, finally, is sufficiently met by Ford’s MST, for it is well compatible with the assumptions of the rational choice model of behaviour.

### 2.5.3. THEORIES OF GOALS FROM DEVELOPMENTAL PSYCHOLOGY: ERIKSON

In developmental psychology, a number of different theories of universal human goals can be found. One shared characteristic of the various theories or specifications of goals by developmental psychologists is the general idea that for healthy development, humans need to achieve some universal faculties or to fulfil some universal developmental tasks, and that a failure to achieve these faculties leads to psychological pathology and, consequently, to lowered overall subjective well-being and happiness. The most influential theorists in this sub-discipline are, of course, Freud, Piaget and Erikson, while also the more recent works of Loevinger (1976) and Kohlberg (1969) are part of this tradition (cf. McClelland 1987, p. 48-

58).

As it is besides the aim of this book to provide an introduction to developmental psychology, I refrain from discussing the work of all these authors. I will rather pick out one, which is - at least with regard to our interests - largely representative for the others as well, and in discussing this author explain the limitations of goal-theories from this realm for our purposes. The one representative of developmental psychology I have chosen to discuss here, is Erikson.

The ideas of Erik Erikson (1977 [1950]) have been and still are quite influential, in particular his distinction of the eight 'ages of man' with the accompanying life tasks or developmental goals. The concept of stages in the human motivational development was first advocated by Freud, but Erikson has importantly elaborated on this. Based on both clinical experience in his psychoanalytical practice, anthropological case studies in non-industrialised societies, and the biographical analysis of several extreme or deviant cases (including e.g. Hitler and Gorky), Erikson formulated the theory that the psychological health and subjective well-being of people depend on their successful transition through eight universal stages of development, and the successful completion of the eight corresponding developmental tasks or challenges:

"The strength acquired at any stage is tested by the necessity to transcend it in such a way that the individual can take chances in the next stage with what was most vulnerably precious in the previous one" (Erikson 1977, p. 237).

The eight developmental tasks can be understood as the subsequent acquisition by the initially helpless baby of necessary skills to face the demands of human life.

The first 'age' Erikson distinguishes is that at which a baby will acquire either a sense of basic trust or of basic mistrust. Successful transition through this developmental stage is of course defined as the acquisition of basic trust instead of mistrust. Only when the baby has acquired a basic sense of trust, it is well equipped for the successful transition through the next stage of its development, in which the acquisition of autonomy is central. A lack of success in this stage leads the child to develop a basic sense of shame and doubt. When a sense of autonomy is acquired, the child is ready to enter the third stage Erikson distinguishes, the stage of initiative versus guilt. In this stage the super-Ego develops as mediator between the child's inclination to 'undertake' and manipulate his environment and the rules and moral restrictions imposed by the existence of others. Both an underdeveloped and an overdeveloped super-Ego will form a hindrance to the child's functioning in later stages in life, so the task here is to achieve the right balance. This balance being found, the child is 'ready' for the fourth stage that usually coincides with the entrance into school life. The salient dimension in the fourth stage is that between industry and inferiority. That is, in this stage the child should master the skills to handle utensils and tools and be productive, as a preparation to a later role as provider. If the child fails to grow confident of his productive skills, a sense of inadequacy and inferiority may develop, which in turn is likely to have a negative effect on further attempts to become industrious as well as on identification with adult society. After the stage of industry versus inferiority, follows, in puberty and adolescence, the fifth age, in which the conquest of identity, as opposed to role confusion, is central. Identity formation includes the choice of occupation, the search for social values (often materialising in attraction to strong ideologies), the choice of idols and the forming of 'clan'-like bonds and exclusion of 'outgroupers'. Success in conquering identity lets the young adult emerge well-equipped to enter the next stage, where the main 'task' is to conquer intimacy. Only through having a stable identity the individual has the capacity to "commit himself to concrete affiliations and

partnerships and to develop the ethical strength to abide by such commitments, even though they may call for significant sacrifices and compromises” (ibid., p. 237). Failure in this stage may lead to a deep sense of isolation (and thus decreased subjective well-being)<sup>23</sup>. After having passed through the intimacy versus isolation stage, man enters the seventh stage Erikson distinguishes: that of generativity versus stagnation. This stage may cover the largest part of adult life. It is the phase in which all previously acquired capacities can be put to use, in the first place in ‘establishing and guiding the next generation’ (ibid., p. 240), be it one’s own offspring or not. Failure to take up or accomplish this task may lead to regression to an obsessive need for pseudo-intimacy, a sense of stagnation and personal impoverishment. Sometimes this may lead individuals to indulge themselves as if they were their own child (ibid., p. 240).

The final stage is that of ego integrity versus despair. As Erikson states:

“Only him who in some way has taken care of things and people and has adapted himself to the triumphs and disappointments adherent to being, the originator of others or the generator of products and ideas - only in him may gradually ripen the fruit of these seven stages [...] ...ego integrity” (ibid., p. 241).

Erikson takes some trouble to explain the concept of ego integrity, which, although it is much broader, may in terms familiar to quality of life studies be conceived of as something including ultimate life satisfaction. Lack of ego integrity means significant loss of well-being and satisfaction, and is supposed to be even related to an increased fear of death.

A person who has successfully passed through all stages and who finally reaches ego integrity may be considered to have had a full and meaningful life; I think it is safe to assume that this is indeed how Erikson would define ‘quality of life’.

For the largest part Erikson’s ideas of what is desirable development and which skills and characteristics are necessary for a ‘full’ life will meet with little opposition. However, there are several aspects that Erikson describes as ‘necessary’ or ‘normal’ or ‘healthy’ that I believe are strongly normatively inspired. The most obvious instance is where Erikson stresses the superiority of heterosexuality over homosexuality (ibid., p. 238-239), but also in his exposition of what the individual should learn in other stages considerable normativity can be detected. This normativity makes the theory - or at least the way it is specified by the author - quite vulnerable to criticism.

Now what about the adequacy of Erikson’s theory as a theory of goals for our purpose? Again this should be assessed on the basis of the four criteria mentioned in section 2.5.1. Erikson’s theory is sufficiently congenial to a rational choice model of behaviour; I have found no elements in it that would be incompatible with the rationality assumptions. It is however not an ‘individual<sub>2</sub>’- type theory, despite the seeming obviousness of what ‘age’ some person is in. The reason for considering Erikson’s theory an ‘individual<sub>1</sub>’- type theory is that it requires extensive information on the individual person to assess with how much success he has proceeded through the challenges of earlier ages; an assessment of which is required if one wants to make assumptions about which goals are presently guiding the behaviour of the individual as well as for hypothesising about his subjective well-being. It is the same feature of the theory that makes it unsatisfactory in terms of the remaining two criteria, for although

<sup>23</sup> Erikson adds to his discussion of the ideal result of this stage some more general notions about ‘healthy’ genitality, many of which have a strong normative character, however.

the theory does specify general and universal human goals, the situationally salient goals are not determined by characteristics of the situation, but rather by individual characteristics, namely by the individuals' private history of psychosocial development. Such a theory is uncontestedly valuable for psychotherapeutic aims, but it does not suit our present purpose.

#### 2.5.4. THEORIES OF GOALS FROM EVOLUTIONARY SOCIOLOGY OR SOCIOBIOLOGY

In recent years, there appears to be a rapid growth of the number of articles which present theories or simulation studies that start out from the notion of human evolution shaped by systematic selection pressures (e.g. Cosmides & Tooby 1992; Tooby & Cosmides 1990; Maryanski 1994; Stevens & Fiske 1995). Many of these studies, which I will together refer to as evolutionary sociology or sociobiology, lead to hypotheses about or specifications of presumed fundamental human emotions, drives and goals. As such, this branch of theorising should be included in the present perusal of what theories of human goals exist.

Authors from this perspective attempt to derive hypotheses and theories about universal human goals from the basic premise that competition for survival has, over millions of years, led to the *selection* of organisms (i.e. people) that possess certain inborn characteristics that make them disposed to seek states that were once conducive to survival chances<sup>24</sup> and to avoid states that, in the *ancestral environment*, would have jeopardised survival. What would make these presumed evolutionary processes relevant for the present are, according to adherents of this approach, the consequences for the set of emotions and drives humans are endowed with. Through reasoning about what emotions would have been helpful in the - hypothetical - ancestral situation, they give a functional account for the existence of a set of universal and fundamental emotions, with corresponding goals, in present day people.

In De Vos (1998), a clear overview of some main work in the social evolutionary perspective can be found. De Vos (ibid., p. 21-30) distils from this a set of eight social goals, which, he claims, have been shaped through evolutionary selection pressures and still operate in contemporary society. These goals are: status (or competition); care and attachment; sex and pair-bonding; belonging (i.e. 'reciprocal altruistic group living', ibid., p.26); social understanding; trust; fairness; and usefulness and self-esteem. All of these eight goals can be conceived of as an answer to the question of what would be needed to prevent the unpleasant experience of our inherited emotions (see critical note below). For example, trust is supposed to be a goal of people because 'in cases of repeated betrayal of trust, we feel anxious and lost' (De Vos 1998, p. 28).

Now what should we think of these evolutionary approaches and the sets of goals or 'steering emotions' that they specify? In the first place we may find that there is much overlap with the goals specified in other approaches. At least, the social evolutionary perspective does not appear to lead to the identification of goals or emotions that are not posed by other perspectives as well.

In the second place, one should note that in this approach, the primary focus is on emotions, which are triggered by threats to states that - in the ancestral environment - were necessary for survival. This raises doubts, however, regarding the behaviour guiding potential of these emotions in situations where no such threats to vital states are involved. In other words: are

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<sup>24</sup> 'Survival chances' do not refer to individual survival, but to so-called 'inclusive fitness', which also includes the life chances of one's offspring and close kin.

the emotions specified sufficient to derive a set of goals from, or do they only point to ‘avoidance goals’, while being silent on goals that operate in the absence of ‘threats’? It should be noted that the step from the identification of *inherited emotions* to the identification of the goals that De Vos (see above) proposes implies the questionable assumption that not only aversion of threatening states is inborn and invariable but that there are also inborn and invariable strategies to prevent the occurrence of such threatening situations; which is something quite different.

In the third place, the adherents of the evolutionary perspective explain the necessity of going back to the *ancestral environment* for the explanation of emotions by arguing that our emotions and inborn needs cannot be explained simply from their function(-ality) in the present, because the human environment has undergone such radical transformations that what once was functional may not be so today. But by this very argument they invalidate any potential claim that the emotions or needs they propose can be inserted in the rational choice model of goal directed behaviour. For, if the emotions we are endowed with are not (all) functional in our present social environment, there is no logic in assuming that following them will maximise a person’s utility or well-being. From the argument of the social evolutionists, I think it would be more correct to consider the emotions as restrictions that humans have to cope with, because they are there although they may not suit our present situation.

In the fourth place, parts of the theoretical reconstruction of how certain emotions would have been selected are highly speculative. Given the large overlap between the emotions identified in other disciplines (branches of psychology) and in empirical research on contemporary human beings, it appears that the social evolutionary perspective can at best add an explanation of why these emotions would be selected instead of certain hypothetical different emotions, but it does not significantly add to our understanding of which goals operate in the goal directed action of rational individuals.

When finally, we evaluate the usefulness of the social evolutionary perspective according to the four criteria listed in section 2.5.1., we must conclude that it does not meet all of these. The evolutionists’ set of emotions-based goals may suit the requirement that the theory of goals be of the ‘individual<sub>2</sub>’- type, and even that it is not incompatible with the assumptions of the basic model of rational behaviour. It may also meet the criterion that there be broad consensus about the goals it specifies (which in this case is no wonder as the perspective does not propose goals that cannot be found in, or that are conflicting to goals proposed in other theories and perspectives). Yet the social evolutionary perspective is clearly inadequate when it comes to the requirement that it should include a specification of the way in which situationally determined concrete interests or instrumental goals relate to the abstract universal goals and to each other. There are no more instrumentality relations assumed between the goals than that they all contribute to *inclusive fitness in the ancestral environment*. The social evolutionists’ reasoning does not even assume that realisation of the goals they propose does also contribute to either survival or inclusive fitness or subjective well-being in the present world (only in as far as avoiding unpleasant emotions would constitute well-being, which would be a very narrow conception of well-being).

#### 2.5.5. THEORIES OF GOALS FROM DEVELOPMENTAL AND POLITICAL ECONOMICS OR POLITICAL PHILOSOPHY: MAX-NEEF

There are a number of (sub-)disciplines, such as political science, developmental and political economics, and political philosophy that also deal with questions of quality of life, but usually

approaching these on a very different level: that of the economic and political system. (Stewart's Basic Needs approach and Sen's functionings and capabilities approach (see 2.3.5 and 2.3.6.) are exceptions to this 'rule', but as we have seen, they refrain from specifying goals). As these disciplines are largely foreign and unknown to me, I cannot, with any degree of confidence, discuss them as a pack. There may be very useful and suitable theories of goals there of which I have no knowledge, but if there are, they have as yet not made their appearance into the main arena of quality of life studies.

One theory of goals or human needs that is rooted in political philosophy / developmental economics I do know of, namely the theory proposed by Manfred Max-Neef (1992). Max-Neef proposes his theory of human needs as a framework for thinking about political and economical change and development, especially as concerns economically deprived societies. Max-Neef's work, like that of several authors that were discussed above (e.g. Schulz, Stewart, Sen) or will be discussed shortly (namely Lindenberg, section 2.5.7.), builds on the general notion that goods and services (broadly conceived to include functions of the political-economic system) are used by individuals to satisfy a number of universal or 'fundamental' needs. There may be large differences in what goods or services that may be used to this end, largely dependent on time and culture.

According to Max-Neef, human needs

"must be understood as a system; that is, all human needs are interrelated and interactive. With the sole exception of the need of subsistence, that is, to remain alive, no hierarchies exist within the system. On the contrary, simultaneities, complementarities and trade-offs are characteristics of the process of needs satisfaction" (1992, p. 199).

Max-Neef distinguishes two categories of human needs: existential needs and axiological needs. Existential needs include the needs of *Being, Having, Doing* and *Interacting*.

Axiological needs include the needs of *Subsistence, Protection, Affection, Understanding, Participation, Creation, Leisure, Identity* and *Freedom*. He formulates two postulates:

"[F]irst, fundamental human needs are finite, few and classifiable; and second, fundamental human needs (such as those contained in the system proposed) are the same in all cultures and in all historical periods. What changes, both over time and through cultures, is the way or the means by which the needs are satisfied. [...] one of the aspects that define a culture is its choice of satisfiers. [...] Furthermore, needs are satisfied within three contexts: (1) with regard to oneself (*Eigenwelt*); (2) with regard to the social group (*Mitwelt*); and (3) with regard to the environment (*Umwelt*)" (ibid., p. 199-200).

According to Max-Neef, any human need that is not adequately satisfied constitutes a *poverty* (for example poverty of subsistence, poverty of participation, poverty of understanding) and each poverty generates pathologies. However, the pathologies he then mentions by way of illustration all refer to system dysfunctionings rather than pathologies in the individual persons. At this point it becomes unclear whether Max-Neef is really proposing an individual level theory of needs or rather a theory on the needs of political-economic systems to be stable and well-functioning.

More confusion is added when Max-Neef goes on to argue that needs have a twofold character, representing both deprivation and potential. He goes as far as to say that "to the degree that needs engage, motivate and mobilise people, they are a potential and eventually may become a resource" (ibid., p.201). This induces a strange paradox, in which the satisfaction of fundamental needs would mean the loss of potential and the loss of resources.

This again would at best make sense only from a system level point of view, in which people's unfulfilled needs may be considered a resource because of its mobilising potential. But from an individual level point of view this claim makes no sense.

Max-Neef uses a schematic representation to summarise his conceptions of needs and satisfiers (*ibid.*, p. 206-207). He presents a matrix in which the existential needs are at the one axis and the axiological needs at the other, while the cells contain some possible satisfiers. In this matrix of needs and satisfiers, I find that the axiological needs now appear as the real 'needs' or 'goals', while the existential needs seem to coincide rather with different stages in a process of converting goods into well-being (somewhat similar to the goods-characteristics-functionings-utility sequence in Sen 1997, or to the respective levels of resources, productive activities, and first order goals in Lindenberg's Social Production Function theory, cf. section 2.5.7. and chapter 3). Yet the main impression from the matrix is confusion: it is hardly ever clear why a certain satisfier would be related to the axiological and / or existential need that it is placed with. In short, I find that Max-Neef's system of needs seriously lacks face validity. The needs that he claims to be fundamental invoke little sense of recognition.

As a theory of goals for our purposes, the work of Max-Neef is not suited. In the first place, it seems to be neither an 'individual<sub>1</sub>'-type nor an 'individual<sub>2</sub>'- type theory. As argued above, Max-Neef's theory appears to be rather a system-level theory of needs than a theory for individual-level analysis. Secondly, although it proposes a set of assumedly universal fundamental needs or goals, the set that is specified is unlikely to gain broad consensus, because of its opaque structuring and its lack of face validity. It thus fails to meet the third criterion as well. As regards the fourth criterion, the compatibility with a rational choice model of individual behaviour, the theory of Max-Neef might be acceptable. However, considering its apparent inadequacy in terms of the other criteria, this is of no avail.

#### 2.5.6. THEORIES OF GOALS FROM RATIONAL CHOICE SOCIOLOGY: SOCIAL PRODUCTION FUNCTION THEORY

A number of sociological applications of the rational choice explanatory model have in the last decade resorted to a different theory of goals, which originated within the rational choice approach itself, namely Lindenberg's (1986, 1996; Lindenberg & Frey 1993) Social Production Function theory.

Social Production Function (SPF) theory basically asserts that people produce their own well-being by trying to optimise, within the constraints they are facing, achievement of two universal goals: physical well-being and social well-being. It holds that systematic differences exist in the ways individuals achieve well-being. These differences in the way individuals proceed in their pursuit of the universal goals mirror the differences in resources and constraints of the individuals' situations.

Physical and social well-being, according to SPF theory, consist of respectively two and three so-called 'first order instrumental goals', which are also considered to be universal.

The first order instrumental goals are the main means through which people may realise the universal goals. For physical well-being, stimulation and comfort are identified as the first order goals. Comfort refers to absence of thirst, hunger, pain, fatigue, et cetera. Stimulation refers to pleasant arousal, including mental and sensory stimulation and physical effort. Comfort and stimulation both have a decreasing marginal value for the production of physical



well-being.

For social well-being, Lindenberg proposes status, behavioural confirmation and affection as the three first order instrumental goals. Status refers to a relative ranking compared with other people. Behavioural confirmation is defined as the positive feedback on behaviour by others (the feeling of having done "the right thing"), which may also take the form of self approval, when behavioural norms of relevant others are internalised. Affection includes love, friendship and emotional support. All three instrumental goals are assumed to have decreasing marginal value for the production of social approval.

An important and purposefully designed characteristic of SPF theory is the hierarchical ordering of goals, with the ultimate goals at the top, and instrumental goals at lower levels, linked by production functions that specify the relationship between lower order and higher order goals<sup>25</sup>. A social production function is thus basically the specification for a particular (category of) individual(s) of how well-being is produced. The lower in the hierarchy, the more context-specific the production function becomes. If a person lacks the necessary resources for the realisation of a higher level goal, the production of these resources can become an instrumental goal in itself. Thus, activities may immediately realise an instrumental goal (production activities), they may increase the potential for future production (investment) or both.

A second feature of SPF theory is the importance of substitution mechanisms. The three top layers of the hierarchy are special in the sense that there is limited substitutability. Physical and social well-being can only to some degree be substitutes for each other in the production of overall well-being. That is, Lindenberg assumes that some physical and social well-being will always be necessary for overall subjective well-being. The same holds for the first-order instrumental goals. Thus, a minimum of affection is always necessary for social well-being even though affection can, beyond this level, be substituted by behavioural confirmation or status. Below the three top layers where limited substitutability is assumed, Lindenberg assumes general substitutability between 'lower order' goals. Substitution occurs depending on the relative cost of alternative goals. For example, if opportunities for achievement of status are decreasing, a person is likely to increase the production of affection and behavioural confirmation if those are relatively easier ("cheaper") to produce. Substitution also occurs at lower levels: if opportunities to produce e.g. status with conventional resources (e.g. occupation) decrease, people may try to substitute alternative resources to produce status.

A third feature of SPF theory is that it enables the evaluation the 'efficiency' of alternative production factors by way of looking at the extent to which they are multifunctional. According to SPF theory, the most efficient means of production are multifunctional activities: those that combine production and investment and those that satisfy multiple higher order goals (Ormel et al. 1996). Thus, the structure of the hierarchy is not a (partial) ordering, but a semi-lattice.

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<sup>25</sup> In the analogy of the production function, which SPF theory shares with the basic needs approach and to a lesser extent also with Sen's functionings and capabilities approach, SPF theory invokes the concepts of complementarity and substitutability of production factors and the notion that the contribution of resources and activities to the achievement of well-being depends on how and in what combinations they are employed.

SPF theory has been applied in a number of studies that bear on quality of life (e.g. Nieboer 1997; Steverink 1996; Ormel et al. 1996; Van Eijk 1996), yet, until now, no thorough empirical investigation has been undertaken of what are the most relevant concrete production factors for the different first-order goals. The theory as yet thus lacks a specification of lower level - that is, situationally dependent - instrumental goals, as well as detailed knowledge about which lower level instrumental goals lead to the realisation of the higher order goals<sup>26</sup>. Evaluation of SPF as a theory of goals according to the four criteria leads to the following judgement. Firstly, the theory is clearly an 'individual<sub>2</sub>'- type theory, as it should be (and of course this is not surprising considering that SPF theory was especially developed to be used in rational choice-modelling applications). Secondly, SPF theory includes a specified set of universal goals, namely physical and social well-being. These two universal goals are specified at a sufficient level of abstraction to ensure broad consensus and enable their application to diverse concrete situations. Thirdly, the specification of the way in which situationally determined concrete interests or instrumental goals relate to the abstract universal goals and to each other is more problematic in SPF theory. Although the general mechanism, as reflected in the metaphor of the production function, suggests some clarity about important ways in which lower and higher order goals may be related, the lack of knowledge about what would be these lower order goals and corresponding resources at lower levels of abstraction, seriously cut short the theory's pretension to meeting the third criterion. Fourthly, Lindenberg's Social Production Function theory is fully congenial to the assumptions underlying the behavioural theory of the rational choice approach, which again need not surprise us.

## 2.6. Conclusion

After the long ramble we have made in this chapter through such diverse areas as subjective well-being research, rational choice sociology, motivational and development psychology, social-evolutionary theory et cetera, it is now time to draw up the balance. What have we learned on our way, and what useful tools did we find in all these areas?

Our search started out from the field of quality of life studies. In quality of life studies, the core concern is the investigation of how conditions that are external to the individuals' mind affect the level of subjective well-being these individuals experience. We found, however, that quality of life research has thus far not been very successful in dealing with this core concern, and from our scan of the main current approaches in quality of life studies, we had to conclude that, thus far, the field of study is not sufficiently equipped for its core task. What we found lacking is an individual level theory explaining how, through which process, objective conditions hinder or facilitate an agent's active realisation of his well-being.

It was argued then that such a theory might best be sought within the realm of the rational choice approach. The basic assumptions in the rational choice approach include a focus on utility or subjective well-being as the final goal and outcome of behaviour, a focus on the 'agency aspect' of the realisation of utility or well-being, and the incorporation of conditions

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<sup>26</sup> As an exception Tinsley (1978, 1984, 1986, 1993) must be mentioned, who has investigated the fulfilment of psychological needs through leisure activities. If we see through terminology, the psychological needs that Tinsley distinguishes can well be conceived of as instrumental goals coupled to SPF theory's first order instrumental goals. See also Van Eijk 1996.

that are external to the individual's mind as resources and restrictions shaping the potential set of well-being outcomes.

In the rational choice approach, however, we stumbled on a void regarding the specification of goals. It was seen that, besides the traditional set economic assumptions on preferences (which are inadequate for the purpose I have ascribed to quality of life research), there are no adequate sets of assumptions about individual preferences. What would be needed is a theory of goals, in which both universal human goals and their relation to instrumental situational goals is specified. Such a theory would also have to be of the so-called 'individual<sub>2</sub>'-type, and of course it should be compatible with the basic behavioural model in the rational choice approach, in order to make the rational choice model applicable to the core problems in quality of life studies.

For such a theory of goals we then went to search in such diverse areas and subdisciplines as e.g. political philosophy, motivational psychology, psychoanalytical theory. Of course, I have not been able to thoroughly search all these areas, for this would require immense effort and time, especially since terminology often differs strongly between these disciplines, and the theories of goals - if present - are frequently only implicit in differently focussed theories. Still, judging from what I was able to survey, I have come to the conclusion that there - most likely - is no theory of goals ready to use that meets the criteria that were previously derived. Yet there are several theories of goals that do possess some of the required characteristics, in particular the theories of Maslow, Erikson and Lindenberg. In what they fail to meet, each of these three theories represents a different problem.

The main problem with the Maslow's theory, the pyramid of human needs, is the lack of specification of the way in which situationally determined concrete interests or instrumental goals relate to the abstract universal goals and to each other. Although instrumentality relations between the various needs Maslow distinguishes seem quite easy to conceive, doing so would create a tension with Maslow's assertion that only one goal at a time is salient, and that people do not even perceive the needs that have already been met, nor the needs beyond the one they are presently trying to fulfil.

The main problems, for our purpose, with Erikson's theory of the eight stages in the motivational development of men are that it is not an 'individual<sub>2</sub>'-type theory, because it requires extensive information on the past development of the individual person to say what goals are presently salient, and that, strictly spoken, it does not provide a clue for finding out situationally determined concrete goals, as the situationally salient goals are not determined by characteristics of the situation, but rather by the individuals' private history of psychosocial development.

The main problem with the Social Production Function theory of Lindenberg is its insufficiency in specifying how situationally determined concrete instrumental goals relate to the abstract universal goals and to each other. The general mechanism that relates concrete instrumental goals to universal goals is suggested (namely, in the metaphor of the production function), yet there lacks systematic knowledge about what would be these instrumental goals and corresponding resources at lower levels of abstraction. In order to make SPF theory ready to be used in quality of life studies, more knowledge is thus needed about the main ways in which overall and social and physical well-being are realised. In addition to that, we will find (see Chapter 3) that the content of the goals at the three top layers of the hierarchy is not immediately clear. In fact, the questions raised in Chapter 1 regarding the *meaning or content* of well-being (what are the actual experiences, feelings and mechanisms underneath people's

responses when asked about their well-being), need also be answered for the goals at the three top layers in the SPF hierarchy<sup>27</sup>. And further, although SPF theory specifies goals in the sense of *what* people want to realise (or get), it hardly specifies goals concerning *how* these things are realised. Sometimes ‘*metagoals*’, which refer to the way one’s production functions are organised, are mentioned by Lindenberg and other SPF authors, but thus far this element in SPF theory lacks specification and elaboration. In Chapter 1 it was argued that procedural preferences (not what one strives for, but how the process of achieving it is organised) are likely to be relevant to subjective well-being as well. If SPF theory is to serve as a theory of subjective well-being for quality of life studies, the metagoals should thus be further specified and elaborated.

The main problems I find with the theories of Maslow and Erikson lie at a theoretical level, and solving them would be complicated because of the need to keep the theories’ consistency intact. Even if these problems could be solved without violating the character of the theory, we would next face a number of empirical problems similar to those identified for SPF theory. The main problems with Lindenberg’s theory do not lie, at least as far as can presently be seen, at such a fundamental level that solving them might threaten the character and the consistency of the theory’s core notions. The problem of lack of knowledge about the lower levels in the hierarchy of goals may well be solved through empirical investigation of people’s social production functions. The two other problems that require attention, that of the empirical content of the goals at the three top layers, and of the metagoals, may be more difficult to solve, but there is no reason to fear that this would undermine the theory’s core notions.

I have therefore decided, though admittedly somewhat arbitrarily, to attempt the elaboration of Lindenberg’s theory rather than adapting or changing the theory of Maslow or Erikson. The remainder of this book focuses on this attempt and its results for Social Production Function theory.

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<sup>27</sup> Actually, this is also the case for the other theories of goals discussed in section 2.5.: in each of these the goals (or needs) are at best defined in an abstract way, which does not clearly determine the empirical reality they refer to.

