

BOOK REVIEW

Serena Olsaretti, ed., *Preferences and Well-Being*. Cambridge England: Cambridge University Press, 2006, 279 pp. ISBN 0521695589 US \$38.99. Pb.

Preferences and Well-Being is a collection of eleven essays written by moral philosophers and philosophers of economics that explore the relevance of preference formation and satisfaction to human welfare. The editor, Serena Olsaretti, claims that if we accept that preferences play at least some role in how well a life goes, then the discussion of candidate accounts of preference formation and the rationality of preferences is of great importance for our conception of well-being. Given that even opponents of preference-satisfaction accounts of well-being usually admit that preferences have at least some normative significance, the topics covered in *Preferences and Well-Being* are worthy of serious consideration. The essays in *Preferences and Well-Being* can be categorized by theme into three groups: theories of well-being, preferences and rationality, and preferences and public policy.

Richard Arneson's "Desire Formation and Human Good" is one of the essays that focus on theories of well-being. Arneson analyzes three primary accounts of well-being by exploring how each would function if put into use by a social planner aiming to create policies to maximize human well-being or a parent attempting to mold her child's preferences in order to maximize the child's well-being. Arneson assumes that social and parental policy can predictably influence the formation of desires, giving us at least some control over which preferences people develop. He admits that if this assumption is false, the discussion is fruitless.

According to the proponents of desire satisfaction accounts of well-being and preference formation, what is best for a person is to have as many of her noninstrumental desires fulfilled as possible. The comparative importance of each desire is determined by the individual, and the stronger the desire, the more it increases well-being if fulfilled. Arneson's primary objection to desire satisfaction accounts of well-being is the counterintuitive implication that a person's well-being can be increased by replacing lofty desires such as winning an Olympic gold medal with easily satisfiable desires such as developing moderate shuffleboard skills.

Arneson mentions several possible responses to this worry. Perhaps the most promising response is that only satisfaction of autonomous desires

contributes to well-being. On this view, the more autonomy an agent has in forming a preference, the more its satisfaction contributes to her well-being. Arneson finds this response unsatisfactory because if we accept the autonomous desire satisfaction view and seek to maximize our well-being, then we ought to autonomously try to formulate desires that are easy to satisfy. Therefore, the problem is not really solved at all; we still end up with the counterintuitive conclusion that we can make our lives go better by having modest rather than lofty desires as long as they are autonomous. But the autonomous desire satisfaction view might be more promising than Arneson believes. Perhaps it can be improved by requiring authenticity in addition to autonomy. One might argue that a desire deliberately formulated only because it is easy to fulfill is inauthentic and therefore incapable of significantly increasing well-being.

If Arneson is right about subjective accounts, should we consider alternative theories of well-being? Arneson discusses objective list accounts and hybrid accounts, both of which he believes are more plausible than desire-satisfaction theories. According to the proponents of the objective list view, a person's life goes better the more she attains certain objects and outcomes that are part of an objective list of intrinsically valuable things, regardless of her subjective attitude toward those things. According to the proponents of hybrid accounts of human good and preference formation, a person's well-being can only be increased by an object or outcome that is both objectively valuable and subjectively valued by the agent. While some objective list accounts might include a minimum level of preference satisfaction, Arneson points out the key difference between the hybrid view and the objective list view: "The difference is that the hybrid view holds that no achievement, however great, adds to one's well-being unless it is enjoyed and no enjoyment however great adds to one's well-being unless it is directed at what is excellent" (p. 31).

In "Well-Being, Adaptation and Human Limitations," Mozaffar Qizilbash focuses on the adaptation problem—the idea that since people's desires are malleable and often adapt to circumstances, they are not always reliable measures of well-being. Qizilbash begins with a look at desire-based accounts of well-being. Many desire theorists have added an information requirement to solve the problem of non-prudential desires. This can also serve as a response to the adaptation problem by arguing that adaptive desires are not informed. Qizilbash finds this response unsatisfactory because full information is usually beyond human capacity.

If we grant Qizilbash this point, perhaps the adaptation problem can be solved by an account which emphasizes autonomy rather than

information. One such view Qizilbash discusses is Wayne Sumner's authentic happiness account in which happiness is defined as "a positive evaluation of the conditions of one's life, 'a judgment that, at least on balance, it measures up favourably to your standards and expectation'" (p. 90). Sumner's response to the adaptation problem is that subjective reports of happiness that are artificially distorted by indoctrination or exploitation should not be taken at face value because they lack autonomy. Qizilbash thinks this response works well for cases of adaptation owing to indoctrination or exploitation, but he is not convinced that Sumner's solution works for the adaptive preferences of "the overworked coolie, the precarious landless labourer or the hardened unemployed" (p. 92). Perhaps Sumner can respond to this worry by also including preferences formed in response to extremely dire circumstances among those that are classified as lacking autonomy and authenticity.

Unsatisfied by both the informed desire account and Sumner's authentic happiness account, Qizilbash moves on to the two accounts he thinks best address the adaptation problem: the prudential value list view and the capability view. The proponents of the prudential value list view address the adaptation problem by pointing to the prudential values lacking in the lives of those whose preferences are adaptations. According to the proponents of the capability approach, a good life is made up of valuable functionings. The primary reason Qizilbash thinks the proponents of these two approaches handle the adaptation problem best is that they focus on the distinguishing characteristics of human beings.

In "Leading a Life of One's Own: On Well-Being and Narrative Autonomy," Johan Brännmark defends a holistic approach to well-being and discusses how to discriminate among preferences on such a view. He argues that the holistic approach is best because there is a gap between the value of different parts of a life and the value of a life as a whole. The only way to fill this gap is to examine the life as a whole. Brännmark believes the best way to discriminate between preferences that do and do not contribute to well-being is not to look at the structure of the preference, but rather at the role the preference plays in the life of the individual. On his view, only preferences whose fulfillment constitutes events or features of one's life contribute to well-being.

An important aspect of Brännmark's account is narrative autonomy. A person experiences narrative autonomy by leading a life of her own as both the protagonist and author. Being the protagonist in one's life means having preferences that are embedded in one's own narrative, as opposed to preferences that relegate one to playing the role of

supporting character in the narrative of another. To maintain authorship one needs individuality and an ability to trust one's own judgment. Preferences that obstruct our narrative autonomy are problematic in terms of well-being.

A second theme in *Preferences and Well-Being* centers on the relationship between preferences and rationality. In "Reasoning with Preferences?," John Broome assumes that rationality imposes requirements on preferences and that we often satisfy these requirements unconsciously. His primary concern is whether we can satisfy rationality requirements on preferences through conscious reasoning. Broome discusses two possible methods of reasoning with preferences. According to what he calls the "second-order model," reasoning proceeds from beliefs about rational requirements themselves. Broome believes this model can work for a broad conception of preferences which allows mental states such as intentions to count as preferences. The other possible method of reasoning with preferences is the "first-order model," on which reasoning proceeds from the content of one's preferences. Broome believes this model is better suited for ordinary preferences that cannot be acquired by making a decision without using an external means. Lastly, Broome discusses the difficulty of distinguishing preferences from beliefs about betterness. It may be that preferences are no different from beliefs about the betterness of objects or outcomes. Broome concludes from this that reasoning with preferences may be nothing more than reasoning with beliefs.

In "Content-Related and Attitude-Related Reasons for Preferences" Christian Piller argues for the existence of attitude-related reasons for preferences. Piller defines an attitude related reason for a preference as a reason for preferring A over B not because of any intrinsic features of A that make it better than B, but because of features of the preference itself that make it beneficial. As an example, Piller describes a situation in which one is offered the choice between a large apple and a small apple. If one is fond of apples there is an obvious content-related reason to prefer the large apple; the larger the apple, the greater the amount of satisfaction in eating it. But there is also a reason to prefer to choose the small apple; it would be rude to take the better option offered and leave the host with the worse option. Piller argues that this concern for politeness is an attitude-related reason for preferring to choose the small apple. This seems plausible, but Piller discusses the opposing view that being polite is one of the things we choose when we choose the small apple. So on this view, the desire to be polite is actually a content-related reason for preferring the small apple because the politeness can be understood as a feature of choosing the small apple.

In response to this opposing view, Piller searches for an example of an attitude-related reason for a preference that cannot be understood as a content-related reason. The example Piller gives is a case where a person is offered two pots of gold if she prefers a saucer of mud to a pot of gold. Piller claims that in this case there is a strong reason to prefer the saucer of mud and that this is an attitude-related reason; by having the preference for the saucer of mud, one attains the reward of two pots of gold. According to Piller, the opposing view cannot be applied to this example because the desirable feature of preferring the saucer of mud is not a feature of choosing the saucer of mud. He writes: "If it were we simply would have a different example, one in which you choose between two bundles of goods: a saucer of mud and two pots of gold on the one hand and one pot of gold on the other. The example as told here has it that preference but not choice is rewarded" (p. 174). Despite Piller's arguments, the intuition remains that the agent really prefers the bundle of the saucer of mud and two pots of gold. This seems like a content-related reason for preferring the saucer of mud. Piller writes: "I would certainly say 'Yes, please, can I have the saucer of mud.' Would there be any reason to doubt my honesty, when I say this? I think not." (p. 174). It is true that one can sincerely ask for the saucer of mud if given the choice between the mud and the gold. But it is hard to believe that an agent is honest when she says "I prefer the saucer of mud to the pot of gold" unless what she really means is that she prefers the saucer of mud and two pots of gold to one pot of gold.

The third theme of *Preferences and Well-Being* is the relationship between preferences and public policy. In "Taking Unconsidered Preferences Seriously" Robert Sugden discusses recent empirical evidence which suggests that preferences are often irrational or arational, or in Sugden's terminology "unconsidered." For Sugden, preferences are "considered" if they "satisfy conventional properties of coherence when defined over a normatively credible universe of objects of choice, and if they are stable under experience and reflection" (p. 213). He argues that a form of normative economics that considers actual unconsidered preferences is defensible because agents value opportunities to act on unconsidered preferences even if they do so in inconsistent ways. After appealing to intuitions in agreement with this view, Sugden offers a theoretical principle which he believes vindicates these intuitions.

In contrast to Sugden, Cass R. Sunstein and Richard H. Thaler argue in "Preferences, Paternalism, and Liberty" that instead of trying to cater to people's arational or irrational preferences, policy makers ought to try to influence people's choices in a way that will make them better off. Sunstein and Thaler believe this sort of paternalism is necessary based on

recent studies in psychology and behavioral economics that suggest that preferences are strongly influenced by the context in which choices are presented. They are not in favor of traditional paternalism, but rather what they call “libertarian paternalism.” On this view, individuals have the freedom to opt out of specified arrangements if they choose to, and individual choice is never blocked. Sunstein and Thaler argue that some form of paternalism is unavoidable in private business and public policy because default rules must be established and the framing of these default rules greatly affects the formation of preferences. Sunstein and Thaler aim to determine how to choose among the possible choice-influencing options. They conclude that policy makers should frame options in a way that is likely to promote the well-being of the choosers while still allowing choosers the freedom to opt-out if they so desire.

Many of the authors of the essays in *Preferences and Well-Being* point to serious flaws with preference-satisfaction accounts of well-being. Proponents of these accounts have much work to do in order to overcome the problems of non-prudential preferences, adaptive preferences, and irrational preferences. This is not to say that a preference-satisfaction account of well-being is indefensible. Such a view may be plausible, so long as proper requirements are placed on preferences such that not every satisfied preference contributes to well-being.

A separate issue is whether a preference-satisfaction view that is plausible in theory can be successfully implemented in public policy. As Qizilbash and others point out, information requirements work better in theory than in practice. In real life, full information is rarely possible. So perhaps policy makers ought to adopt a substantive theory of well-being instead. Of course, the proponents of substantive accounts of well-being have their own set of problems to overcome. With such views there is always the danger that policy makers might view all dissenting values as irrational, resulting in suppression of the values of the minority. Moreover, as Sugden has persuasively argued, even irrational preferences ought to be taken seriously by policy makers because freedom of choice is valuable for its own sake. Perhaps the best option then is to adopt something like the “libertarian paternalism” that Sunstein and Thaler champion. Policy makers could then steer people in the direction that is believed to be in their own best interest while still allowing them the freedom to choose their own path, even if such a choice is irrational.

Preferences and Well-Being is a valuable collection of essays for anyone interested in current debates about well-being. The distinction between preferences that do and do not contribute to well-being is fundamentally important to both preference-satisfaction and objective list

accounts of well being. Also of great significance is the relationship between preferences and rationality. Each of the eleven essays in *Preferences and Well-Being* makes a substantial contribution to the discussion of these issues.

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