Many thanks for the comment. With regard to the lack of economic rationalization for the different processes illustrated in the last part of the paper, I have to agree, they were not really elaborated in “Boats and Tides” which really leaves it as a matter of conjecture. Indeed similar seminar comments on this paper have prompted further work on this issue with my colleagues Maria Grazia Pittau and Roberto Zelli ([1] and [2] available from the author on request).

Following the Functionings and Capabilities work of Nussbaum [3], Sen [4] and others, we conjecture that constraints on these (often un-measurable) aspects of individual (or household or country) behavior limit their actions in measurable realms (such as income generation) determining the processes those measureable quantities follow. It turns out (see [1]) that the probability of membership of group “i” at income x can be computed as \( w_i f_i(x)/\Sigma_i w_i f_i(x) \) which in turn can be used to study factors that govern class membership (see [2]) in as much as proxies for unobservable functionings and capabilities can be found. As for the possibility of agents switching processes, this is a possibility in this environment and the extent to which agents are mobile between groups is a matter for my current research agenda.

References.


