

A General Theory of Welfare: Moral goods and Right Conducts

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This essay aims to find a reply to the following question. From the point of view of rationality, what characteristics must a general theory of welfare (GTW) have? Welfare economics is made up of a certain number of models that we distinguish according to the conception of moral value on which they are based, and the right conduct they suggest. As regards moral values, two fundamental conceptions of moral good exist: the ethics of motive makes reference to subjective values; while the ethics of end also admits objective values. As regards right conduct, Bayesian reductionism and rational dualism are two different ways of considering uncertainty. Bayesian reductionism assumes that agents have all the information and computing capabilities for applying the maximisation procedure; in particular, subjective probabilities are known. Rational dualism recognises situations where agents have cognitive limitation, and admits procedures other than maximisation; in particular, probabilities may be non-measurable and non-comparable. Since a rational choice between competitive moral systems cannot be made, we think in terms of a GTW. From the point of view of moral values, a GTW must admit all the possible values in which a society can believe; while from the point of view of instrumental rationality, it must also admit situations where decision-makers do not have adequate information and behave in conditions of irreducible uncertainty.