

Measuring Social Values

This is a short overview of the issues in Paul Menzel's paper.¹

1 Why social value?

1.1 Individual utility vs. social value

There are several ways of measuring individual utility in surveys:

1. Time Trade-Off (TTO): how many years of life would you give up for a complete cure?
2. Standard Gamble (SG): what risk of death would you accept from a therapy that would offer a complete cure if it worked?
3. Visual Analog Scale (VAS): where would you place your life on a scale between death and perfect health?

Person Trade-Off (PTO) questions, by contrast, measure social value. Here is an example. Suppose procedure A saves ten lives while B cures a chronic impairment. How many people would B have to cure before it would be more valuable than A? The question is about trade-offs within a society, not in one's own life. So the answer should reflect social values rather than individual utility.

1.2 Conflicts

Answers to PTO questions tend to treat all lives as equal, even if they have chronic health problems. Answers to the other questions discriminate between lives based on health.

¹ "How should what economists call "social values" be measured?" *The Journal of Ethics* 3 (1999).

We would be in a dilemma if we only used individual utilities to make policy decisions. Assigning a low value to the quality of a life with a chronic health condition boosts the value of curing that condition but lowers the value of saving that person's life compared with a healthy person's life and *vice versa*.

Most of us think it's important both to cure illness *and* to give equal value to saving the lives of the healthy and unhealthy alike. We need to look at people's social values as well as their individual utilities in order to reach that conclusion.

2 Four questions about social values

1. Who should be consulted? Distinguish two phases: one for utility, the other for social values. Patients should be consulted in stage one, the general public in stage two (p. 261).
2. Should self-interest count? PTO questions should encourage people to think about how their answers would affect themselves as well as others.
3. How to understand patient utility ratings? When assessing the quality of life with, say, paraplegia, should the general public take the views of paraplegics into account or their own views about the quality of that kind of life when comparing treatments?
4. Two questions about adaptation
 - a. The general public underestimates adaptation, how they would adjust to bad health.² Does that mean we should discount their evaluation of the quality of a life in bad health and favor the opinions of those who lead such lives?
 - b. Are the adaptive preferences of those in bad health questionable because they are adaptive? In particular, are they questionable because they're like the adaptive preferences of the "happy slave"?

² It's one of the biases reported by Kahneman, Thaler, and Sunstein.