The efficiency and effectiveness of social spending in the EU-27 and the OECD – a 2011 reanalysis

Tausch, Arno

Corvinus University of Budapest, Innsbruck University, Department of Political Science

19 September 2011

The efficiency and effectiveness of social spending in the EU-27 and the OECD – a 2011 reanalysis

Arno Tausch[1],

Adjunct Professor of Political Science at Innsbruck University
Visiting Professor of Economics, Corvinus University, Budapest
Regular Lecturer of International Development, Vienna University

Address

Universitätsstraße 15, 2. Stock West
A-6020 Innsbruck
Tel.: +43 (0) 512 / 507 - 7051
Fax: +43 (0) 512 / 507 - 2849

e-mail:

Arno.Tausch@uni-corvinus.hu
Arno.Tausch@uibk.ac.at
Arno.Tausch@univie.ac.at

mobile: Austria (++43) 664 16 15 250
Home: ++43 2235 44 6 49

personal academic website:

http://www.editions-harmattan.fr/index.asp?navig=auteurs&obj=artiste&no=20427
(editions L'Harmattan, Paris)

Abstract:

In this contribution, we look again at the trajectory and the efficiency of the *'European social model'* (EMS). We re-apply an econometric methodology, which was already used in the study Herrmann, Heshmati et al., 2008, 2009. In that study, the authors said that apart from

[1] The author would like to thank Yitzhak Berman, Peter Herrmann and Almas Heshmati for many insights and comments. All websites and statistics were accessed on April 13th, 2011

Finland and the Netherlands, some new EU-27 member countries, especially the Czech Republic and Slovenia, provided some answers to the question about the efficiency of state expenditures in reducing poverty rates, while countries like the Federal Republic of Germany achieved only a mediocre ranking. Considering the fact that social expenditures often amount to ¼ or even 1/3 of the GDP in advanced Western democracies, this question has acquired new and additional importance during the current international debt crisis, affecting several European countries such as Greece. Put in simple terms: aren't the Germans, French … also throwing a lot of money out of the window, while the world is now fixed on the Greeks?

The most influential social science journal article on the subject, mentioning the ESM in the title, was written by Scharpf, 2002 and maintains that efforts to adopt European social policies are politically impeded by the diversity of national welfare states, differing not only in levels of economic development and hence in their ability to pay for social transfers and services but, even more significantly, in their normative aspirations and institutional structures. Hyman, 2005, even says that there is simply no agreement what 'social Europe' means in the first place, let alone how it should be defended against the challenges inherent in the neoliberal approach to economic integration. Jepsen and Pascual, 2005 were equally sceptical about the subject. They even maintain that the very use of the concept under scrutiny here – the EMS - in the academic and political debate is simply a rhetorical resource intended to legitimize the politically constructed and identity-building project of the EU institutions.

In our re-analysis of the underlying issues, we first come to the conclusion that the USA not only had lower unemployment and higher economic growth rates than the EU-15. Globalization inflows were smaller than in the EU-15, and – most importantly – the tendency towards sectoral inequality as a proxy for overall inequality was less pronounced than in the EU-15. The average, unweighted performance of the other Western democracies rather resembles the European performance. So the dire fact number one, established in this essay, is that during globalization, the 'European social model' is not better avoiding the ills of inequality than the USA or other Western democracies.

Following the methodology, developed in Herrmann et al., 2008, 2009, and based on the latest Eurostat data, we then come to the conclusion that currently European social policy only lifts 6.80% of the total European population, i.e. 29.44% of the poor population, out of poverty. A very huge amount of money is required for this. Social transfers amount to ¼ of the European GDP in 2006. To lift just 1% of the population out of poverty, a staggering 3.66% of the GDP is now needed on the level of the EU-27. We also show that Sweden, Luxembourg, Finland, Spain, Denmark, Estonia, the Netherlands, Germany, the UK and France currently spend 5% or more of their GDP to lift just 1% of the population out of poverty. In most EU-27 member countries, only 1/3 or less of the poor population are lifted out of poverty by social transfers. I.e. 2/3 or more of the population are practically not reached by this gigantic machinery EMS, which consumes ¼ of European GDP.

In accordance with Herrmann *et al.* 2008, 2009, we also analyze the OECD figures on how much it costs to lift 1% of the population out of poverty. Our analysis reveals that there are

only many different single experiences and models of social policy, and these experiences do not confirm stereotypes, typologies or other generalized approaches. Our conclusions from the data for 2003 suggest that very efficient models, like the Slovak Republic and the Czech Republic, but also Luxembourg, Hungary and Poland, have to be contrasted by the laggards and high-cost models, like Spain and Mexico, but also Finland, Switzerland, New Zealand, and South Korea. The comparison of the aggregate efficiency parameters would even suggest that there was a convergence of efficiency trends from the mid-1980s onwards across the Atlantic.

Again applying the politometric methods, developed in the study Hermann *et. al.* 2008, 2009, we document the fact that the PIIGS – i.e. Portugal, Ireland, Italy, Greece and Spain, which currently are at the centre of the financial storm, affecting Europe (Baglioni and Cherubini, 2010; Andrade and Chhaochharia, 2010; and Zemanek, 2010), do not perform well on our refined social protection expenditure effectiveness indicator. The five leading countries according to our analysis with the latest Eurostat 2008 data are Hungary; Slovakia; Bulgaria; Czech Republic; and Poland, which are all new member states of the Union. The least efficient social sectors are to be found in Latvia, Estonia, the UK and Greece.

We also present data from a re-analysis of the UNICEF report (2007) on child poverty in advanced countries. Based on a standard SPSS XVIII principal component analysis of the UNICEF variables, and weighting the five resulting factors according to their contribution in explaining the total variance of the model we arrive at the conclusion that there is no evidence which would suggest that there is a single European social model, to be distinguished from the rest of other Western countries. Not surprisingly, the Scandinavians and North-west Europeans lead the way: Finland; Sweden; Netherlands; Switzerland and Denmark. The most lamentable situation of young people was to be encountered in the Baltic Republics, the USA and Japan.

Confronted with the dire fact that neither the European political class, nor the academic community have come up with convincing evidence on the European social model (EMS), we arrive at the final conclusion that the ESM hardly exists.

Keywords: social spending, European Commission, index numbers and aggregation, cross-sectional models, spatial models, economic integration, regional economic activity, international factor movements, international political economy

JEL Classifications: C43, C21, F15, R11, F2, F5

Introduction

In this contribution, we look again at the trajectory and the efficiency of the *'European social model' (EMS).* As of April 13th, 2011, there were an astonishing 268000 entries for the exact occurrence of this English language term on the Internet (of these, 12000 in *'Google books',* and 8150 in *'Google Scholar'* alone). Thus, there exist an almost unlimited number of opinions, but also academic studies on the subject, and there is a lack of clear definitions and empirical criteria, let alone a consensus on the existence of this European Social Model (ESM), nor on its trajectory and future.

In this study, we again apply an econometric methodology, which was already used in the study Herrmann, Heshmati *et al.,* 2008, 2009, which created a real furore[2] in several

[2] Reactions to the study in the international media included:

- ***Associated Press Worldstream -*** German, 23. Mai 2008 Freitag 2:01 PM GMT, Deutsches Sozialsystem laut Studie nur mittelmaeßig effizient; Tschechien und Slowenien schneiden am besten ab - Untersuchung des Instituts zur Zukunft der Arbeit
- ***Berliner Zeitung*** 24.05.08 Deutsches Sozialsystem offenbar nur maeßig effizient
- ***Bild,*** 23.05.2008 'Sozialsystem nur Mittelmaß' (on ***IZA (Institute for the Study of Labour, Bonn, FRG) Discussion Papers*** 3482, 'Efficiency and Effectiveness of Social Spending')
- ***Czech Free Press,*** Válka o modré zlato Neděle, 03 Leden 2010 07:12 Josef Mikovec (on 'Global Capitalism, Liberation Theology and the Social Sciences') http://www.czechfreepress.cz/index.php?option=com_content&view=article&id=1701:valka-o-modre-zlato&catid=91:ekologie&Itemid=483
- ***ddp Basisdienst,*** 23. Mai 2008 Freitag 2:54 AM GMT, Deutsches Sozialsystem laut Studie nur Mittelmaß
- ***Der Westen (WAZ-Gruppe),*** 23.05.2008: Deutsches Sozialsystem nur mittelmaeßig (on ***IZA (Institute for the Study of Labour, Bonn, FRG) Discussion Papers*** 3482, 'Efficiency and Effectiveness of Social Spending')
- ***Deutschlandfunk*** (Interview by co-author Peter Herrmann on the Study 'Efficiency and Effectiveness of Social Spending') http://podster.de/episode/621421
- ***Deutschlandfunk*** (Interview with Arno Tausch on the Study 'Efficiency and Effectiveness of Social Spending') http://www.dradio.de/dlf/sendungen/europaheute/805302/
- ***Die Welt,*** 23. 05. 2008: 'Europaeischer Vergleich. Das deutsche Sozialsystem ist nur Mittelmaß' (on ***IZA (Institute for the Study of Labour, Bonn, FRG) Discussion Papers*** 3482, 'Efficiency and Effectiveness of Social Spending')
- ***Frankfurter Neue Presse*** 24.05.08 Deutsches Sozialsystem/nur mittelmaeßig
- ***Frankfurter Rundschau,*** 24.05.08 'Schwache Performance/Deutsches Sozialsystem schneidet maeßig ab' (on ***IZA (Institute for the Study of Labour, Bonn, FRG) Discussion Papers*** 3482, 'Efficiency and Effectiveness of Social Spending')
- ***Hamburger Abendblatt*** 27. 05. 2008 Studie: Deutsches Sozialsystem ist nur mittelmaessig effektiv http://www.abendblatt.de/daten/2008/05/27/886090.html (on ***IZA (Institute for the Study of Labour, Bonn, FRG) Discussion Papers*** 3482, 'Efficiency and Effectiveness of Social Spending')

European countries. In that study, the authors said that apart from Finland and the Netherlands, some new EU-27 member countries, especially the Czech Republic and Slovenia, provide interesting answers to the question about the efficiency of state expenditures in reducing poverty rates, while countries like the Federal Republic of Germany achieved only a mediocre ranking.

This lamentable situation is not improved, if we move over to the world media. We just picked out news items on the exact occurrence of this term from *'Google news'*. Coincidence has it that at 9:45 on April 13th at 9:45, the time of the beginning of the final wording of this article, we are in the midst of a real controversy, involving three key players in the drama – the European Commission, European Labour, and European governments. Notably enough a Chinese, not a European, news dispatch (Xinhua English.news.cn 2011-04-05 21:04:38) is the first in today's list, quoting a *'EU President Herman Van Rompuy*[3]*'* as saying that recent comprehensive economic measures approved by European leaders were necessary to save *'the European social model'*. Item 2, taken from the influential news agency *Euractiv* (http://www.euractiv.com/en/socialeurope/unions-ensure-noisy-start-eu-summit-news-503451) tells us that thousands of protesters were recently blocking traffic in Brussels as part of their campaign against neo-liberal austerity reforms agreed upon recently by EU leaders. In the name of the very same *'European social model'* they are against the very same proposals, mentioned by Mr. Van Rompuy above, which he in turn justifies by this very same *'European social model' (ESM). Associated Press,* for its part, complicates the picture even

---

- ***Nuernberger Nachrichten*** 24.05.08 'Sozialsystem nicht effektiv genug?' (on ***IZA (Institute for the Study of Labour, Bonn, FRG) Discussion Papers*** 3482, 'Efficiency and Effectiveness of Social Spending')
- ***Osnabruecker Nachrichten*** 24.05.08 Deutsches Sozialsystem laut Studie nur mittelmaeßig effizient. Tschechien und Slowenien schneiden am besten ab - Untersuchung des Instituts zur Zukunft der Arbeit http://www.on-live.de/nachrichten_226_DEU_HTML.php?text=20080523APD1074.xml
- ***Radio Praha,*** News 23.05.2008, http://www.radio.cz/de/nachrichten/104386 (on ***IZA (Institute for the Study of Labour, Bonn, FRG) Discussion Papers*** 3482, 'Efficiency and Effectiveness of Social Spending')
- ***Spiegel Online*** 23.05.08 Studie. 'Deutsches Sozialsystem ist Mittelmaß - das tschechische Spitze' (on ***IZA (Institute for the Study of Labour, Bonn, FRG) Discussion Papers*** 3482, 'Efficiency and Effectiveness of Social Spending')
- ***Stuttgarter Nachrichten*** 24.05.08 'Sozialsystem nur mittelmaeßig' (on ***IZA (Institute for the Study of Labour, Bonn, FRG) Discussion Papers*** 3482, 'Efficiency and Effectiveness of Social Spending')
- ***Stuttgarter Zeitung*** 24.05.08 'Sozialsystem laut Studie mittelmaeßig' (on ***IZA (Institute for the Study of Labour, Bonn, FRG) Discussion Papers*** 3482, 'Efficiency and Effectiveness of Social Spending')
- ***Thueringische Landeszeitung*** 24.05.08 Nachrichten
- ***WNYC Radio and Public Radio International****, in collaboration with The BBC World Service, New York Times Radio and WGBH Boston*: Lessons from Latin America: An Education for the EU? Tuesday, December 07, 2010. With the European Union in the midst of a severe debt crisis, foreign ministers of the eurozone are meeting this week to discuss remedies for their financial troubles. Latin America went through a difficult debt crisis of their own back in the 1980s, which is often referred to as the "Lost Decade." What lessons can Europe learn from Latin America to help prevent their own lost decade? http://www.thetakeaway.org/people/arno-tausch/

[3] The old enigma, who is in charge in Europe, was already presented by the former US Secretary of State, Henry Kissinger: *'When I want to call Europe, I cannot find a phone number',* see Malici, 2008.

further by describing in the third dispatch on the Google news list of April 13th 2011 the positions taken by European Finance Ministers, who, like Mr. Van Rompuy and the Trade Unions, also justify their austerity actions, against which the trade unionists protested so vehemently, in the name of the very same *'European social model'* (http://www.google.com/hostednews/ap/article/ALeqM5iy86HBj9um8OJ3pdHtOtAbfS2urQ?docId=b3f7ed5a0afb4f7788b62a9c0da52711).

What is then this EMS, this European social model? Portugal? Sweden? Romania? Italy? Ireland? The arithmetic mean of the performance of the old and/or new member states of the EU-27? The lessons from the best or the worse five states according to Eurostat poverty statistics? In relation to social protection expenditures?

In this article, we try to shed some light on this subject, which many see as the 'cornerstone of the European life-style'. The European trade unionists define the ESM as:

'The European Social Model is a vision of society that combines sustainable economic growth with ever-improving living and working conditions. This implies full employment, good quality jobs, equal opportunities, social protection for all, social inclusion, and involving citizens in the decisions that affect them. In the ETUC's view, social dialogue, collective bargaining and workers' protection are crucial factors in promoting innovation, productivity and competitiveness. This is what distinguishes Europe, where post-war social progress has matched economic growth, from the US model, where small numbers of individuals have benefited at the expense of the majority. Europe must continue to sustain this social model as an example for other countries around the world'. (http://www.etuc.org/a/111)

Eurofound, which is an official European agency under the jurisdiction of the EU-Commission, defines in turn the EMS in pretty much the same way (http://www.eurofound.europa.eu/areas/industrialrelations/dictionary/definitions/EUROPEANSOCIALMODEL.htm).

Looking at the main research results in the international literature

Arguably, the **book** with the highest global library circulation[4] on the subject, Professor Gøsta Esping-Andersen's work[5], 1990, which achieved 40 editions, published between 1990 and 2010, and which is available in 5 languages, and which is now held by an astonishing 825 global libraries worldwide, making it a real classic of modern social science, maintains that there are **three European social models**, **not a single one**, which he calls the **liberal/free market regime** of the Anglo-Saxon countries, the **Nordic/social democratic regimes**, and

[4] http://www.worldcat.org/identities/lccn-n84-135803

[5] Professor Andersons website contains by the way many useful insights on the debates and controversies under discussion here: http://www.esping-andersen.com/

the **'conservative' European continental welfare regimes**, linking social benefits to past work experience and social insurance. Since the advantages and disadvantages of this classification, with the possible addition of a **fourth category**, the **Mediterranean member states** of the EU or other possible types of democratic welfare regimes, such a **'radical type',** which is sometimes used in reference to Australia and New Zealand, were debated at great length in the literature (see Arts and Gelissen, 2002; Herrmann et al., 2009 for further hints at the almost unlimited number of quantitative and qualitative studies on the subject), we will not deal any further with the question of social policy typologies. What we are interested in are parameters of efficiency. Many roads may lead to Rome. But just how good are they?

The **Social Science Research Network in New York,** which is the biggest social science research community in the world today (http://www.ssrn.com/), lists in turn two papers, very much opposing one another, as the ones with the highest global download figures on the subject. **Olivier Blanchard**, 2006, ranked number 17th among the global economists (http://logec.repec.org/scripts/authorstat.pf) **thinks that there is indeed a viable European model,** based on three legs: *competition* in goods markets, **insurance** in labour markets, and the **active use of macroeconomic policy**. **Alesina and Angeletos**, 2002, (Alesina is rank 23 among the global economists, see again http://logec.repec.org/scripts/authorstat.pf) maintain by contrast that if a society believes like the **EU** that **luck, birth, connections and/or corruption determine wealth, it will tax a lot**, thus distorting allocations and making these beliefs self-sustained as well.

Using **Thomson Reuters Web of Science, the most authoritative index of the social sciences today** (http://thomsonreuters.com/products_services/science/science_products/a-z/web_of_science/), we are similarly confronted with a variety of conflicting views. The most influential journal article on the subject, mentioning the ESM in the title, was written by **Scharpf, 2002** and maintains that efforts to adopt European social policies are politically impeded by the **diversity of national welfare states**, differing not only in levels of economic development and hence in their ability to pay for social transfers and services but, even more significantly, in their normative aspirations and institutional structures. **Hyman, 2005,** even says that there is **simply no agreement what 'social Europe' means in the first place**, let alone how it should be defended against the challenges inherent in the neoliberal approach to economic integration. **Jepsen and Pascual, 2005** are equally sceptical about the subject. They even maintain that the **very use of the concept under scrutiny** here – the EMS - in the academic and political debate is **simply a rhetorical resource intended to legitimize the politically constructed and identity-building project of the EU institutions**. Moving down the article impact factor list, we find, among others the similarly pessimistic note by Alber, 2006 who concludes: (1) for most indicators the range of **variation within the European Union is bigger than the gap between Europe and the United States;** (2) counter to the idea of policy convergence, **differences in the developmental trajectories of countries with different institutional arrangements persist;** (3) despite having extended welfare states similar to those of Continental European countries, **Scandinavian nations have performed as well as the Anglo-Saxon countries in terms of employment and growth dynamics.** Hence there are not only different social models in Europe but also different pathways to

success. Montanari et al., 2008, examine key aspects of the development of the main social insurance programs during the period 1980-2000 in 14 EU Member States. Their results indicate a **divergence rather than convergence of social insurance replacement rates in Europe** at that time. In terms of institutional models there is no evidence of a common European Social Model (ESM) in the area of social insurance over the past decades.

Our own research design

Unsatisfactory, as it may be, a large part of the ESM typology and accounting literature left out the important question of **globalization** and its **effects on the social situation in Western democracies** from its horizon. Thus, we will first analyze the development history of the 15 old members of the European Union by comparison with the USA and some other Western democracies since the 1980s according to their paths of **globalization**. We compare these with the trajectory of **employment**, the **reduction of inequality**, and **economic growth**. We will carry out this analysis with IMF data (real GDP per annum), the ETH Zurich globalization time series data, the University of Texas Inequality Project data, based on payment in 21 industrial sectors, and unemployment rates as per cent of the civilian labour force (OECD). The data sources are documented in the Appendix and in Graph 1. Thus we will highlight differences and or similarities between the trajectories of globalization and social policy outcomes for the entire EU-15 in comparison with the US and some other major western democracies.

With Herrmann *et al.* 2009, and based on the latest Eurostat data and OECD data, we then go on to ask ourselves **how efficient social policy is**.

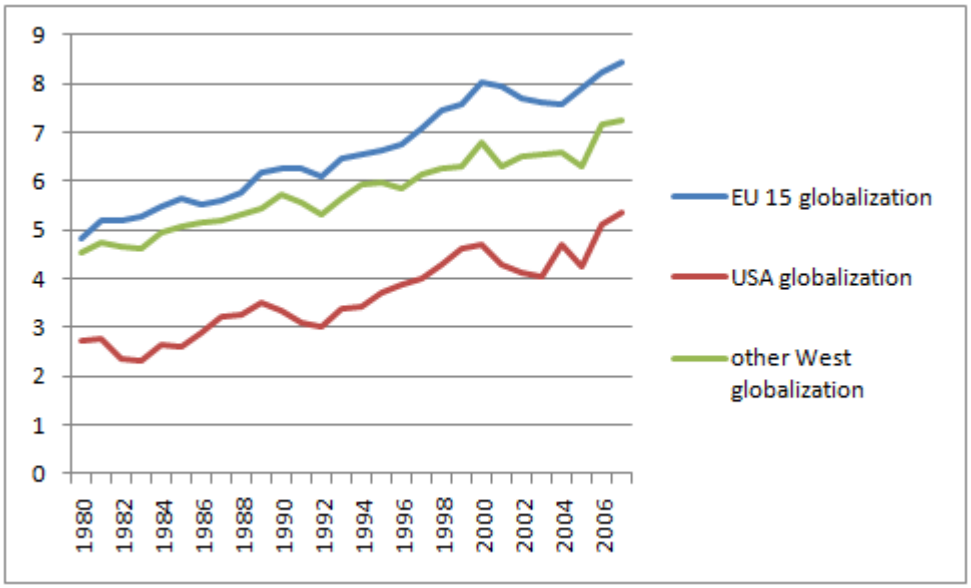
Finally, we present data from a SPSS XVIII principal components re-analysis of the UNICEF report (2007) on child poverty in advanced countries, weighting the five resulting factors according to their contribution in explaining the total variance of the model. We finally ask ourselves whether or not our data analysis offers any conclusion for the dramatic financial and global situation in the PIIGS states – i.e. Portugal, Ireland, Italy, Greece and Spain, which currently are at the centre of the financial storm, affecting the Eurozone.

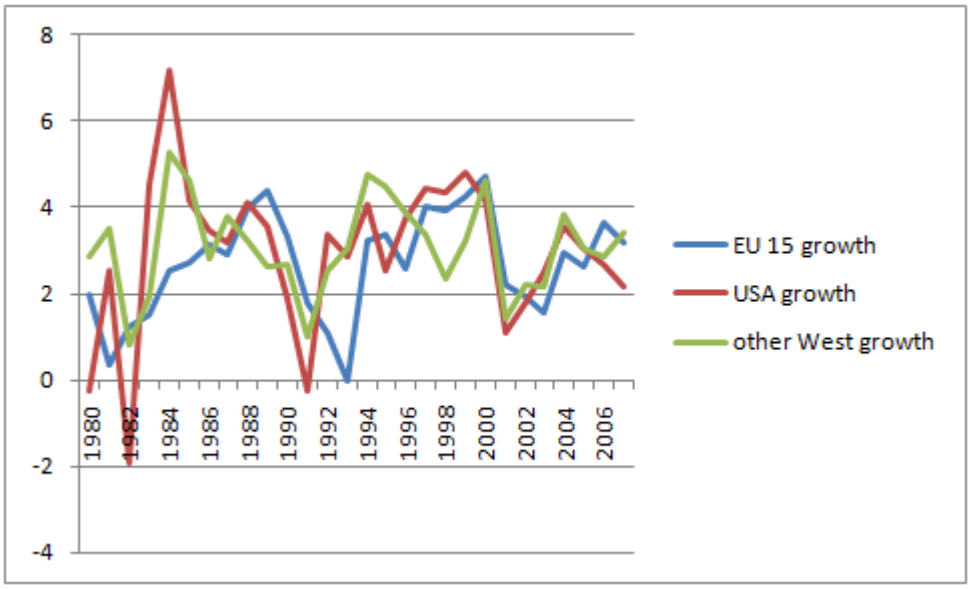
Globalization and social outcomes in western democracies

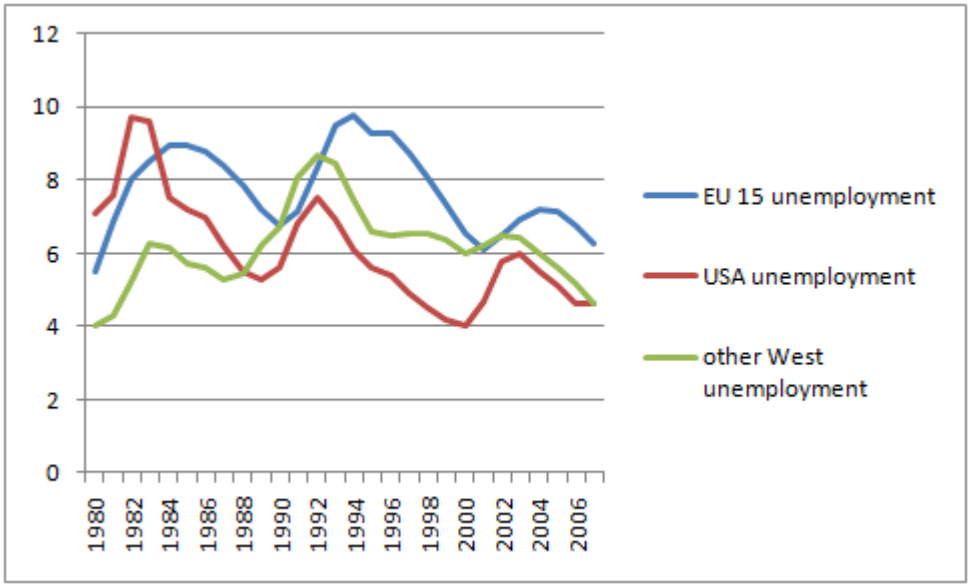
Graph 1 highlights the development history of the 15 old members of the European Union by comparison with the USA and some other Western democracies since the 1980s according to globalization and the **most tangible possible benefits of any 'social model',** i.e. employment, the reduction of inequality, and economic growth.

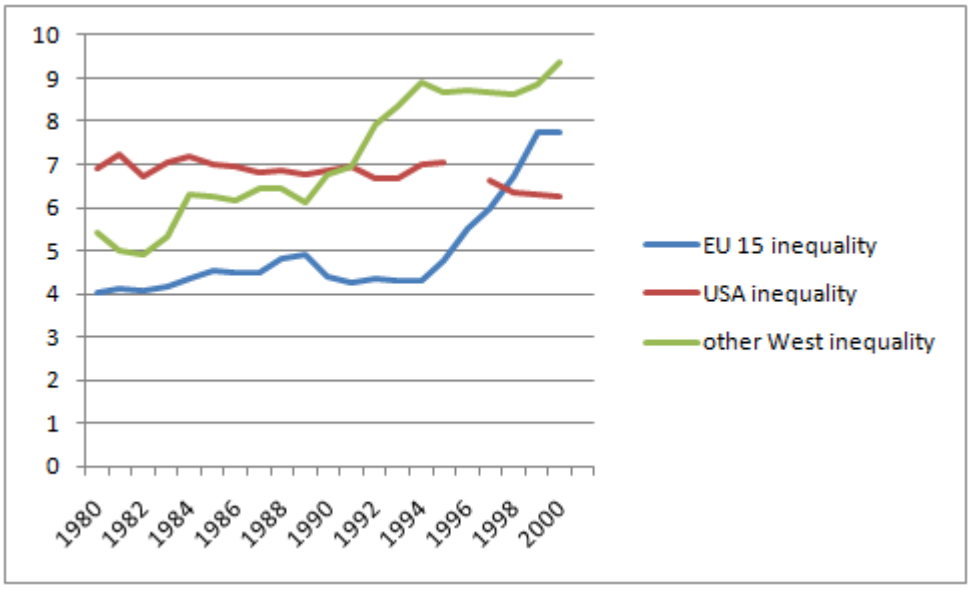
This first approximation yields very clear empirical results, which might provide a new input to the trodden paths of the entire *'European social model'* debate. The **USA not only had lower unemployment and higher economic growth rates than the EU-15. Globalization inflows were smaller than in the EU-15, and – most importantly – the tendency towards sectoral inequality as a proxy for overall inequality was less pronounced than in the EU-15**. The average, unweighted performance of the other Western democracies rather resembles the European performance. So the dire fact number one, established in this essay, is that during globalization, the *'European social model'* is not better than the USA or other Western democracies:

Graph 1: Economic globalization, economic growth and social performance in the Europe (EU-15), the USA, and some other Western democracies




8
6
4
2
0
-2
-4
1980
1982
1984
1986
1988
1990
1992
1994
1996
1998
2000
2002
2004
2006
EU 15 growth
USA growth
other West growth


12
10
8
6
4
2
0
1980
1982
1984
1986
1988
1990
1992
1994
1996
1998
2000
2002
2004
2006
EU 15 unemployment
USA unemployment
other West unemployment



Note: The EU-15 countries in our sample were: Austria; Belgium; Denmark; Finland; France; Germany; Greece; Ireland; Italy; Luxembourg; The Netherlands; Portugal; Spain; Sweden; UK. The other developed Western democracies comprised: Australia; Canada; Israel; Japan; New Zealand; Norway. **Economic growth:** IMF economic growth data (real GDP per annum) and growth predictions April 2009, http://www.imf.org/external/datamapper/index.php. **Globalization:** ETH Zurich globalization time series data), http://globalization.kof.ethz.ch/static/rawdata/globalization_2010_short.xls The Zurich data, used in this study, refer only to the ETH economic globalization time series, which covers 'actual flows', combining trade (per cent of GDP), foreign Direct Investment (flows, per cent of GDP); foreign direct investment (stocks, per cent of GDP); portfolio investment (per cent of GDP); income payments to foreign nationals (per cent of GDP). **Inequality:** Theil Index of Inequality, based on payment in 21 industrial sectors; calculated from UNIDO sources in University of Texas Inequality Project, http://utip.gov.utexas.edu/data.html. **Unemployment:** unemployment as per cent of the civilian labour force: http://stats.oecd.org/Index.aspx. In order to visualize our time series data in a single graph system and on a single easily comprehensible left hand scale, we had to rescale the data by multiplying the University of Texas time series Inequality (Theil Indices of the inequality of wages by sectors) data by a factor of 250 and to divide the ETH globalization flow data by a factor of 10, to produce scales, which range from 0 to 12.

To abolish poverty, 4/5 of total EU-27 GDP would be required

Such phenomena led neo-Keynesian European economists to diagnose that the Euro-area has the lowest growth rate of the industrialised world (Marterbauer/Walterskirchen, 2006). Other euro-sceptical researchers from many different theoretical perspectives (Galtung, 1982; Heshmati and Tausch, 2007; Rothschild, 1999, 2000, 2003, 2009; Seers et al., 1979, 1980; Tausch and Ghymers, 2006; Tausch and Herrmann, 2001; Tausch, 2010) came to the same conclusions. Sluggish economic growth, unemployment and structural blockades on many fronts, including deficiencies in science and research, seem to characterize the trajectory of the western Europe ever since the 1970s, to which we have to add the current crisis in Ireland

and the European South, long regarded as the number 1 success stories of the enlarged EU since the 1970s and 1980s[6].

Euro-pessimists would expect a repetition of the Argentina script of the 1970s and 1980s on our side of the Atlantic during the next decade, while Euro-optimists would have to continue to expect that the European Common Agricultural Policy (CAP), the regional and structural policies, the Common Foreign Policy and the European Monetary Union, on all of which we spend an awful lot of money, are and continue to be *'shining paths'* for humanity.

Following the methodology, developed in Herrmann *et al.* 2009, and based on the latest Eurostat data, we first have to recognize that **European social policy only lifts 6.80% of the total European population, i.e. 29.44% of the poor population, out of poverty**.[7] A very huge amount of money is required for this. Social transfers amount to ¼ of the European GDP in 2006. To lift just 1% of the population out of poverty, a staggering 3.66% of the GDP is now needed (Table 1). Tables 2 and 3 show that **Sweden, Luxembourg, Finland, Spain, Denmark, Estonia, the Netherlands, Germany, the UK and France currently spend 5% or more of their GDP to lift just 1% of the population out of poverty.** In most EU-27 member countries, only 1/3 or less of the poor population are lifted out of poverty by social transfers. I.e. 2/3 or more of the population are practically not reached by this gigantic machinery EMS, which consumes ¼ of European GDP.

Table 1: The ‚European social model' - EMS

	EU-27: % poverty before social transfers	EU-27: % poverty after social transfers	EU-27: social protection expenditure as % of the GDP	EU-27: % of the population lifted out of poverty by social transfers	EU-27: % of the poor population saved by social transfers from poverty	% of the GDP spent to lift 1% of the population out of poverty
2005	26.00	16.40	27.12	9.60	36.92	2.83
2006	25.00	16.50	26.71	8.50	34.00	3.14
2007	24.50	16.70	25.74	7.80	31.84	3.30
2008	23.60	16.40	26.36	7.20	30.51	3.66

Source: our own compilations from Eurostat,
http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-SF-11-017
and http://epp.eurostat.ec.europa.eu/portal/page/portal/structural_indicators/indicators/social_cohesion

[6] For current news about the financial crisis affecting Greece, Ireland and Portugal, see http://www.ftd.de/

[7] Poverty is defined as corresponding to Eurostat criteria (Persons at-risk-of-poverty after social transfers). The risk-of-poverty threshold is set at 60 % of the national median equivalised disposable income. See http://epp.eurostat.ec.europa.eu/tgm/information.do;jsessionid=9ea7971b30dbc963f5167dff4854b205f20cd6cb3681.e34RaNaLaxqRay0Lc3uLbNiNa30Ke0?tab=table&plugin=1&language=en&pcode=t2020_52) .

Table 2: The (in)efficiency of European social protection: % of the GDP necessary to lift 1% of the population out of poverty

Country	**2007**	**2008**
Bulgaria	0.37	0.66
Romania	0.64	0.69
Poland	1.06	1.36
Hungary	1.31	1.44
Latvia	0.76	1.54
Slovakia	1.48	1.65
Lithuania	1.51	2.13
Ireland	3.20	2.70
Czech Republic	3.00	2.97
Cyprus	1.87	3.07
Portugal	3.47	3.24
Greece	3.06	3.25
Slovenia	3.80	3.47
EU-27	3.30	3.66
Malta	3.75	3.85
Italy	4.31	4.21
Austria	5.93	4.55
Belgium	4.19	4.64
Euro 16	4.79	4.91
France	5.16	5.21
UK	5.97	5.27
Germany	5.13	5.67
Norway	4.98	6.23
Netherlands	5.15	6.47
Estonia	4.73	6.55
Denmark	5.65	6.60
Spain	6.18	6.88
Finland	5.77	6.92
Luxembourg	8.05	9.59
Sweden	8.56	10.87
Iceland	7.39	12.96

Source: our own compilations from Eurostat, http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-SF-11-017 and http://epp.eurostat.ec.europa.eu/portal/page/portal/structural_indicators/indicators/social_cohesion

Table 3: % of the poor population, lifted out of poverty by social transfers

Country	**2007**	**2008**	**2009**
Iceland	22.66	14.41	12.07
Switzerland			12.21
Estonia	11.82	10.55	15.81
Luxembourg	15.09	13.55	16.29
Sweden	24.46	18.12	16.35
Spain	14.72	14.41	16.67
Finland	25.29	21.84	18.34
UK	17.11	19.40	21.36
Germany	26.21	24.38	22.50
Norway	27.06	24.00	23.81
Euro 16	25.81	26.17	24.64
Denmark	30.36	27.61	24.71
Malta	25.13	25.13	25.25
Italy	23.75	26.09	25.51
Netherlands	35.03	29.53	26.49
Cyprus	38.49	27.03	27.03
Belgium	29.63	29.33	27.72
Portugal	27.60	28.85	28.11
Greece	28.27	28.47	28.62
Austria	28.14	33.33	29.41
EU-27	31.84	30.51	29.44
France	31.05	31.72	29.89
Lithuania	33.45	27.54	30.17
Latvia	41.11	24.26	31.28
Slovenia	32.75	33.51	33.92
Poland	49.71	44.59	38.49
Czech Republic	39.24	41.18	38.57
Ireland	25.54	34.60	41.63
Slovakia	50.70	47.09	43.88
Romania	45.97	47.06	48.03
Bulgaria	63.76	52.23	52.81
Hungary	58.16	56.03	58.53

Source: our own compilations from Eurostat,
http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-SF-11-017
and http://epp.eurostat.ec.europa.eu/portal/page/portal/structural_indicators/indicators/social_cohesion

In accordance with Herrmann *et al.* 2009, we also analyze the OECD figures on how much it costs to lift 1% of the population out of poverty (Table 4). If there were anything like a unique

EMS - *'European social model',* Europe should be different from all other western democracies under investigation. But clearly, this is not the case.

Neither 'light-house to the world' nor 'sick man on the Bosporus'

Our analysis reveals that there are only many different single experiences and models of social policy, and these experiences do not confirm stereotypes, typologies or other generalized approaches. Our conclusions from the data suggest that very efficient models, like the Slovak Republic and the Czech Republic, but also Luxembourg, Hungary and Poland, have to be contrasted by the laggards and high-cost models, like Spain and Mexico, but also Finland, Switzerland, New Zealand, and South Korea. The relatively good performance of Greece, Italy and Belgium on this scale is rather a big surprise. The US, *nota bene,* belongs rather to the international laggards on this scale:

Table 4: how much it costs to lift 1% of people out of poverty – OECD countries

Year	2000	2003
Slovak Republic		0.95
Czech Republic	0.91	1.04
Luxembourg		1.05
Hungary	1.11	1.07
Poland		1.09
Greece	1.18	1.13
Italy	1.44	1.35
Belgium	1.11	1.42
Germany	1.32	1.42
France	1.29	1.44
UK	1.49	1.44
Australia	1.46	1.46
Netherlands	1.38	1.46
Ireland	2.23	1.50
Iceland		1.51
Sweden	1.51	1.70
Norway	1.62	1.72
Japan	2.33	1.75
Portugal	2.53	1.79
Austria		1.84

Denmark	1.95	2.01
USA	2.21	2.28
Korea		2.48
New Zealand	1.97	2.54
Switzerland	2.43	2.63
Finland	2.48	3.13
Mexico	6.44	3.58
Spain	5.23	5.08

Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XVIII

The comparison of the aggregate efficiency parameters would even suggest that there was a convergence of efficiency trends from the mid-1980s onwards across the Atlantic (Table 5). In the EU-15, the cost to lift 1% out of poverty was 2.8% of the GDP, while in the US it was 2.3%:

Table 5: Aggregate social efficiency, EU-15 and USA since the mid 1980s

	1995	**2000**	**2003**
EU-15 social transfers in % of GDP	27.6	26.8	27.7
USA social transfers in % of GDP	15.4	14.6	16.2
EU-15 poverty before social transfers	26.0	23.0	25.0
USA poverty before social transfers	31.3	30.3	31.0
EU-15 poverty after social transfers	**17.0**	**15.0**	**15.0**
USA poverty after social transfers	**23.8**	**23.7**	**23.9**
EU-15 % of the pop. lifted out of povery by social transfers	9.0	8.0	10.0
USA % of the pop. lifted out of povery by social transfers	7.5	6.6	7.1
EU-15 % GDP cost to lift 1% of the population out of poverty	**3.1**	**3.4**	**2.8**
USA % GDP cost to lift 1% of the population out of poverty	**2.1**	**2.2**	**2.3**

Source: our own compilations and calculations, based on SPSS XVIII, Innsbruck University, based on Eurostat (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1090,30070682,1090_33076576&_dad=portal&_schema=PORTAL) OECD.stats (http://stats.oecd.org/WBOS/index.aspx)

More sophisticated methods of comparison, based on the analysis of regression residuals

Our more sophisticated approach is based on a statistical analysis of residuals, established in Herrmann et al., 2009. It has been argued in Herrmann *et al.,* 2009 that the simple arithmetic used to calculate the percentage of the GDP necessary to lift 1% of the poor out of poverty is misleading insofar as it is easier for very poor states to be successful than for richer states, whose initial number of poor people before social transfers is smaller. Applying politometric methods, developed in Hermann *et. al.,* 2009, we document our research results for the early mid 2000s on the basis of the OECD data and for 2008, based on the regression residual approach, in the Appendix. It might be sufficient to note that both our data series well document the fact that the PIIGS – i.e. Portugal, Ireland, Italy, Greece and Spain, which currently are at the centre of the financial storm, affecting Europe (Baglioni and Cherubini, 2010; Andrade and Chhaochharia, 2010; and Zemanek, 2010), do not perform well on our refined social protection expenditure effectiveness indicator. The only plausible exception, Ireland in 2008, insofar supports the argument of those who say that the Irish crisis, much more than for the rest of the PIIGS, is a Bank-system driven crisis and was not so much a question of inefficient state expenditures. The five leading countries according to the Eurostat figures for 2008 and our politometric methods, documented in the Appendix, are Hungary; Slovakia; Bulgaria; Czech Republic; and Poland, which are all new member states of the Union. The least efficient social sectors are to be found in Latvia, Estonia, the UK and Greece.

The comparison on the basis of the OECD statistics for the first part of the 2000s reveals the following tendency. The efficiency leaders in poverty reduction were the Czech Republic; the Slovak Republic; Iceland; Hungary; and Luxembourg. **The least efficiencies in poverty reduction were to be found in Spain, the US, Portugal, New Zealand and Ireland**.

The European Social Model and future generations

We also present data from a re-analysis of the UNICEF report (2007) on child poverty in advanced countries. The UNICEF report created a huge international political debate at the time of its publication, and is arguably the best single data-set to compare the well-being of the future generations in the European Union and in other Western democracies. But lamentably enough, its research results were based on simple aggregations of the rankings from more than 40 indicators. Heshmati et al., 2008, already showed the limitations of such an approach and compared the UNICEF results with a model, based on principal components. If Europe's social model were to be the superstar (theory 1) or the villain of this world (theory

2), the data again would have to confirm this (http://news.bbc.co.uk/2/hi/6359363.stm). Based on a renewed standard SPSS XVIII principal component analysis of the UNICEF variables, and weighting the five resulting factors according to their contribution in explaining the total variance of the model (see Appendix), we first arrive at the following scale of child welfare in advanced countries, based on the five factor analytical items, documented in the Appendix. Again, there is no evidence, which would suggest that there is a single European social model, to be distinguished from the rest of other Western countries. Not surprisingly, the Scandinavians and North-west Europeans lead the way: Finland; Sweden; Netherlands; Switzerland and Denmark. The most lamentable situation of young people according to such criteria as the combined weight of the criteria of education and social empowerment; lifestyle, social cohesion and social-economic status; subjective well-being and peer relationships and a climate of non-violence was to be encountered in the Baltic Republics, the USA and Japan.

Table 6: – child and youth welfare – factor analytical results, based on UNICEF

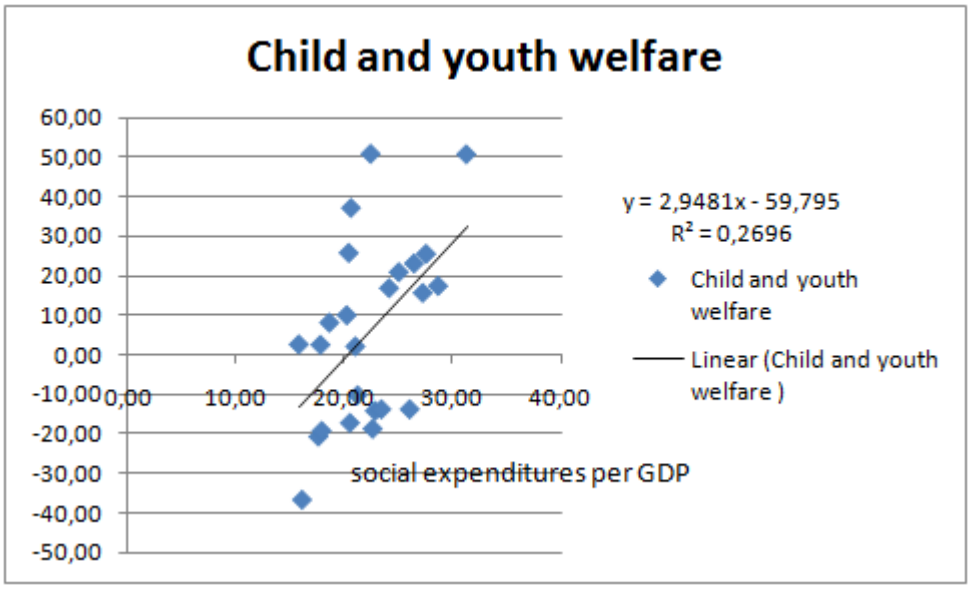
	Child and youth welfare
Finland	50.98
Sweden	50.88
Netherlands	37.30
Switzerland	25.94
Denmark	25.68
Belgium	23.28
Norway	21.07
France	17.58
Italy	17.02
Germany	15.83
Spain	10.18
Slovenia	9.42
Iceland	8.30
Ireland	2.79
Australia	2.70
Czech Republic	2.30
Canada	-2.16
Greece	-10.04
Malta	-11.53
Austria	-13.60
Portugal	-13.60
Poland	-14.03
UK	-17.04

Hungary	-18.54
New Zealand	-19.06
Japan	-20.52
Estonia	-27.96
USA	-36.49
Latvia	-55.74
Lithuania	-58.12

Source: our own compilations and calculations, based on SPSS XVIII, Innsbruck University, based on UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445)

It is now legitimate to raise the question of costs again. One might argue for example that the US Federal Government spends a lot less on social expenditures than most European states. Graph 2 plots social expenditures, as documented by OECD, with the social policy outcome for the young generations, as documented in Table 6 above:

Graph 2: social expenditures and child and youth welfare



Source: our own compilations and calculations, based on SPSS XVIII, Innsbruck University, based on UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445) and OECD.stats (http://stats.oecd.org/WBOS/index.aspx)

It is now legitimate to compare the 'social policy inputs' (measured by social expenditures per GDP) and the 'social policy output', measured by a social policy outcome variable (i.e. in our case, the data from Table 6). We again apply the regression residual method, introduced by Herrmann et al., 2009. Table 7 documents these efficiency parameters of social expenditures (residuals from the regression line, plotted in Graph 2). Which country was most efficient in using its social expenditures for child and youth welfare? **Finland, the Netherlands, Switzerland, Sweden and Ireland were the leaders among the western democracies compared, while Austria, Hungary, the USA, Portugal and Poland were the laggards**. The social systems of these countries may have cared well for other groups, like the elderly, but they were not able to respond to the necessities to provide for the needs of future generations.

Table 7: the (in)efficiency of social expenditures to bring about child and youth welfare

	Social expenditures per GDP	Child and youth welfare	Trend value: child and youth welfare, statistically predicted by social expenditures per GDP	**(in)efficiency of social spending in providing child and youth welfare**
Finland	22.50	50.98	6.54	**44.44**
Netherlands	20.70	37.30	1.23	**36.07**
Switzerland	20.50	25.94	0.64	**25.30**
Sweden	31.30	50.88	32.48	**18.40**
Ireland	15.90	2.79	-12.92	**15.71**
Iceland	18.70	8.30	-4.67	**12.97**
Spain	20.30	10.18	0.05	**10.13**
Australia	17.90	2.70	-7.02	**9.72**
Norway	25.10	21.07	14.20	**6.87**
Italy	24.20	17.02	11.55	**5.47**
Belgium	26.50	23.28	18.33	**4.95**
Denmark	27.60	25.68	21.57	**4.11**
Czech Republic	21.10	2.30	2.41	**-0.11**
Germany	27.30	15.83	20.69	**-4.86**
France	28.70	17.58	24.81	**-7.23**
New Zealand	18.00	-19.06	-6.73	**-12.33**
Japan	17.70	-20.52	-7.61	**-12.91**
Greece	21.30	-10.04	3.00	**-13.04**
UK	20.60	-17.04	0.93	**-17.97**
Poland	22.90	-14.03	7.72	**-21.75**
Portugal	23.50	-13.60	9.48	**-23.08**
USA	16.20	-36.49	-12.04	**-24.45**
Hungary	22.70	-18.54	7.13	**-25.67**

Austria	26.10	-13.60	17.15	**-30.75**

Source: our own compilations and calculations, based on SPSS XVIII, Innsbruck University, based on UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445) and OECD.stats (http://stats.oecd.org/WBOS/index.aspx)

Summary and conclusions

Confronted with the dire fact that neither the European political class, nor the academic community have come up with convincing evidence on the European social model (EMS), we present our own new evidence on the subject. Our approach is efficiency analysis driven and establishes the following facts:

1. The USA not only had lower unemployment and higher economic growth rates than the EU-15. Globalization inflows were smaller than in the EU-15, and – most importantly – the tendency towards sectoral inequality as a proxy for overall inequality was less pronounced than in the EU-15. The average, unweighted performance of the other Western democracies rather resembles the European performance.
2. We have to recognize that European social policy only lifts 6.80% of the total European population, i.e. 29.44% of the poor population, out of poverty. A very huge amount of money is required for this. Social transfers amount to ¼ of the European GDP in 2006. To lift just 1% of the population out of poverty, a staggering 3.66% of the GDP is now needed.
3. The comparison of the aggregate efficiency parameters would even suggest that there was a convergence of efficiency trends from the mid-1980s onwards across the Atlantic (Table 5).
4. Applying politometric methods, developed in Hermann *et. al.,* 2009, we arrive at the conclusion that the five leading countries with a cost efficient poverty reduction system are Hungary; Slovakia; Bulgaria; Czech Republic; and Poland, which are all new member states of the Union. The least efficient social sectors are to be found in Latvia, Estonia, the UK and Greece (based on Eurostat, data for 2008).
5. A comparison on the basis of the OECD statistics for the first part of the 2000s reveals the following tendency. The efficiency leaders in poverty reduction were the Czech Republic; the Slovak Republic; Iceland; Hungary; and Luxembourg. The least efficiencies in poverty reduction were to be found in Spain, the US, Portugal, New Zealand and Ireland.
6. We also present data from a re-analysis of the UNICEF report (2007) on child poverty in advanced countries. Based on a standard SPSS XVIII principal component analysis of the UNICEF variables, and weighting the five resulting factors according to their contribution in explaining the total variance of the model (see Appendix), we arrive at a scale of child welfare in advanced countries (Table 6). The most lamentable situation of young people according to such criteria as the combined weight of the criteria of

education and social empowerment; lifestyle, social cohesion and social-economic status; subjective well-being and peer relationships and a climate of non-violence was to be encountered in the Baltic Republics, the USA and Japan.

7. Which country was most efficient in using its social expenditures for child and youth welfare? Finland, the Netherlands, Switzerland, Sweden and Ireland were the leaders among the western democracies compared, while Austria, Hungary, the USA, Portugal and Poland were the laggards. The social systems of these countries may have cared well for other groups, like the elderly, but they were not able to respond to the necessities to provide for the needs of future generations.

We should finally return to the text, published by Eurofound during the middle of the global financial crisis, on the European Social Model ('ESM') (http://www.eurofound.europa.eu/areas/industrialrelations/dictionary/definitions/EUROPEANSOCIALMODEL.htm) . The Commission's 1994 White Paper on social policy (COM (94) 333) described, as Eurofound reminds us, a *'European social model'* in terms of values that include democracy and individual rights, free collective bargaining, the market economy, equal opportunities for all, and social protection and solidarity. Without implying that the ESM, as many neo-liberal critics would suggest, is a *'sick man on the Bosporus',* we have come to the conclusion in this essay that the ESM, lamentably enough, hardly exists and that at any rate it is not an export product; to which the pressures of globalization greatly contributed.

Appendices to this study

Statistical sources used in this analysis (accessed on April 13th, 2011) and the results from the year 2011 at one glance

ECFIN/E3(2007)/REP/50604 and ***'Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html
Eurostat
(http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and
http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-SF-11-017
and http://epp.eurostat.ec.europa.eu/portal/page/portal/structural_indicators/indicators/social_cohesion
Herrmann, Peter *et al. 'Efficiency and Effectiveness of Social Spending",* **IZA DP No. 3482, 2008**, available at
http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers
OECD.stats (http://stats.oecd.org/WBOS/index.aspx),
UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445).

Analytical efficiency parameters of the reduction of poverty – a regression analytical approach – OECD countries, early 2000s

	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	**Column 10 - efficiency**
Czech Republic	21.10	31.70	11.50	20.20	1.04	17.26	-5.76	5.76	0.03	**5.73**
Slovak Republic	17.30	31.90	13.70	18.20	0.95	17.29	-3.59	3.59	-1.86	**5.45**
Iceland	18.70	24.70	12.30	12.40	1.51	16.10	-3.80	3.80	-1.16	**4.97**
Hungary	22.70	33.60	12.30	21.30	1.07	17.57	-5.27	5.27	0.82	**4.45**
Luxembourg	22.20	34.40	13.20	21.20	1.05	17.70	-4.50	4.50	0.57	**3.93**
Korea	5.70	23.10	20.80	2.30	2.48	15.84	4.96	-4.96	-7.61	**2.65**
Netherlands	20.70	28.60	14.40	14.20	1.46	16.75	-2.35	2.35	-0.17	**2.52**
Norway	25.10	27.00	12.40	14.60	1.72	16.48	-4.08	4.08	2.01	**2.07**
UK	20.60	29.80	15.50	14.30	1.44	16.94	-1.44	1.44	-0.22	**1.67**
Switzerland	20.50	23.00	15.20	7.80	2.63	15.82	-0.62	0.62	-0.27	**0.90**
Denmark	27.60	26.00	12.30	13.70	2.01	16.32	-4.02	4.02	3.25	**0.77**
Austria	26.10	27.60	13.40	14.20	1.84	16.58	-3.18	3.18	2.51	**0.67**
Sweden	31.30	29.80	11.40	18.40	1.70	16.94	-5.54	5.54	5.09	**0.46**
Finland	22.50	22.00	14.80	7.20	3.13	15.66	-0.86	0.86	0.72	**0.14**
France	28.70	34.10	14.10	20.00	1.44	17.65	-3.55	3.55	3.80	**-0.24**
Belgium	26.50	34.90	16.20	18.70	1.42	17.79	-1.59	1.59	2.71	**-1.12**
Australia	17.90	32.60	20.30	12.30	1.46	17.41	2.89	-2.89	-1.56	**-1.33**
Greece	21.30	38.50	19.60	18.90	1.13	18.38	1.22	-1.22	0.13	**-1.35**
Mexico	6.80	27.20	25.30	1.90	3.58	16.52	8.78	-8.78	-7.07	**-1.72**
Japan	17.70	30.90	20.80	10.10	1.75	17.13	3.67	-3.67	-1.66	**-2.01**
Germany	27.30	36.40	17.20	19.20	1.42	18.03	-0.83	0.83	3.10	**-2.27**
Poland	22.90	41.90	20.80	21.10	1.09	18.94	1.86	-1.86	0.92	**-2.78**
Italy	24.20	37.60	19.70	17.90	1.35	18.23	1.47	-1.47	1.56	**-3.03**
Ireland	15.90	33.90	23.30	10.60	1.50	17.62	5.68	-5.68	-2.55	**-3.13**
New Zealand	18.00	29.80	22.70	7.10	2.54	16.94	5.76	-5.76	-1.51	**-4.24**
Portugal	23.50	33.80	20.70	13.10	1.79	17.60	3.10	-3.10	1.22	**-4.31**
USA	16.20	31.00	23.90	7.10	2.28	17.14	6.76	-6.76	-2.40	**-4.35**
Spain	20.30	25.00	21.00	4.00	5.08	16.15	4.85	-4.85	-0.37	**-4.48**

Analytical efficiency parameters of the reduction of poverty – a regression analytical approach –EU-27 countries, 2008

Country	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	**Column 10 - efficiency**
Hungary	22.71	28.20	12.40	15.80	1.44	17.95	-5.55	5.55	0.00	**5.55**
Slovakia	16.02	20.60	10.90	9.70	1.65	14.67	-3.77	3.77	-0.16	**3.93**
Bulgaria	15.48	44.80	21.40	23.40	0.66	25.13	-3.73	3.73	-0.18	**3.90**
Czech Republic	18.72	15.30	9.00	6.30	2.97	12.38	-3.38	3.38	-0.10	**3.47**
Poland	18.56	30.50	16.90	13.60	1.36	18.95	-2.05	2.05	-0.10	**2.15**
Romania	14.25	44.20	23.40	20.80	0.69	24.87	-1.47	1.47	-0.20	**1.68**
Netherlands	28.45	14.90	10.50	4.40	6.47	12.21	-1.71	1.71	0.14	**1.56**
Slovenia	21.49	18.50	12.30	6.20	3.47	13.76	-1.46	1.46	-0.03	**1.49**
Austria	28.18	18.60	12.40	6.20	4.55	13.81	-1.41	1.41	0.13	**1.27**
France	30.76	18.60	12.70	5.90	5.21	13.81	-1.11	1.11	0.20	**0.91**
Norway	22.44	15.00	11.40	3.60	6.23	12.25	-0.85	0.85	-0.01	**0.85**
Denmark	29.69	16.30	11.80	4.50	6.60	12.81	-1.01	1.01	0.17	**0.84**
Iceland	22.03	11.80	10.10	1.70	12.96	10.87	-0.77	0.77	-0.02	**0.78**
Ireland	22.12	23.70	15.50	8.20	2.70	16.01	-0.51	0.51	-0.01	**0.52**
Belgium	28.28	20.80	14.70	6.10	4.64	14.76	-0.06	0.06	0.14	**-0.08**
Sweden	29.35	14.90	12.20	2.70	10.87	12.21	-0.01	0.01	0.16	**-0.16**
Malta	18.86	19.50	14.60	4.90	3.85	14.19	0.41	-0.41	-0.09	**-0.31**
Finland	26.31	17.40	13.60	3.80	6.92	13.29	0.31	-0.31	0.09	**-0.40**
EU-27	26.36	23.60	16.40	7.20	3.66	15.97	0.43	-0.43	0.09	**-0.52**
Cyprus	18.42	22.20	16.20	6.00	3.07	15.36	0.84	-0.84	-0.10	**-0.74**
Germany	27.76	20.10	15.20	4.90	5.67	14.45	0.75	-0.75	0.12	**-0.87**
Luxembourg	20.14	15.50	13.40	2.10	9.59	12.47	0.93	-0.93	-0.06	**-0.87**
Euro 16	27.47	21.40	15.80	5.60	4.91	15.02	0.78	-0.78	0.12	**-0.90**
Portugal	24.33	26.00	18.50	7.50	3.24	17.00	1.50	-1.50	0.04	**-1.54**
Italy	27.79	25.30	18.70	6.60	4.21	16.70	2.00	-2.00	0.13	**-2.12**
Lithuania	16.16	27.60	20.00	7.60	2.13	17.70	2.30	-2.30	-0.16	**-2.15**
Greece	25.97	28.10	20.10	8.00	3.25	17.91	2.19	-2.19	0.08	**-2.27**

UK	23.72	23.20	18.70	4.50	5.27	15.79	2.91	-2.91	0.03	**-2.93**
Spain	22.71	22.90	19.60	3.30	6.88	15.66	3.94	-3.94	0.00	**-3.94**
Estonia	15.05	21.80	19.50	2.30	6.55	15.19	4.31	-4.31	-0.19	**-4.13**
Latvia	12.62	33.80	25.60	8.20	1.54	20.38	5.22	-5.22	-0.24	**-4.98**

Column 1	Social expenditures per GDP	OECD stats/Eurostat
Column 2	Poverty rate before social transfers	OECD stats/Eurostat
Column 3	Poverty rate after social transfers	OECD stats/Eurostat
Column 4	Reduction of poverty through social transfers	simple algebraic substraction, based on OECD stats data: Column 2 - Column 3
Column 5	To lift out 1% of people out of poverty, it is necessary to spend … % of GDP	simple algebraic calculation, based on OECD stats: Column 1:Column 4
Column 6	Trend value: poverty after social transfers, as statistically predicted by poverty rates before social transfers	linear trend values EXCEL regression on OECD stats data: poverty before social transfers (x)->poverty after social transfers (y)
Column 7	residual from this regression (‘poverty too large in comparison to what one could expect from our knowledge about poverty before social transfers’)	subtraction of poverty after social transfers data (Column 3) from predicted value (Column 6)
Column 8	analytical measure of poverty reduction (regression residual * -1)	simple multiplication of column 7 by (-1)
Column 9	Trend value: poverty reduction (social expenditures->analytical measure poverty reduction)	linear trend value EXCEL regression based on OECD stats data: Column 1 -> Column 8
Column 10	efficiency of social spending in poverty reduction	Column 8 minus Column 9

Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XVIII

The five extracted factors and their contribution to total variance

Component	Eigenvalue		
	Total	% of variance explained by the model	Cumulated % of total variance explained
1	6.627	16.569	16.569
2	5.79	14.475	31.044
3	3.947	9.867	40.911
4	3.231	8.079	48.99
5	2.787	6.968	**55.958**

Matrix of components

	Education and social empowerment	**Lifestyle, social cohesion and social-economic status**	**European youth policy model**	**subjective well-being and peer relationships**	**climate of non-violence**
REVERSED FOR THE INTERPRETATION OF THE FACTOR SCORES	**NO**	**YES**	**YES**	**YES**	**YES**
Percentage of children (0-17) in households with equivalent income less than 50 per cent of the median: most recent data.	-0.502	-0.015	0.525	0.328	0.085
Percentage of children reporting low family affluence, aged 11, 13 and 15: 2001.	-0.586	0.607	-0.222	0.312	-0.065
Percentage of children aged 15 reporting less than six educational possessions: 2003.	-0.375	0.211	-0.152	0.531	0.067
Percentage of children aged 15 reporting less than ten books in the home: 2003.	0.134	-0.12	0.003	-0.116	0.385
Percentage of working-age households with children without an employed parent OECD: most recent data.	-0.052	0.294	-0.047	0.068	-0.355
Infant mortality rate (per 1000 live births): most recent data.	-0.495	0.706	0.141	-0.002	0.018
Low birth rate (% births less than 2500g): most recent data	-0.377	-0.425	0.222	0.352	0.042
Measles: % children immunized aged 12-23 months: 2003	-0.186	0.405	-0.28	0.061	-0.212
DPT3: % children immunized aged 12-23 months: 2002.	-0.064	0.336	-0.572	-0.008	-0.356
Polio 3: % children immunized aged 12-23 months: 2002	-0.005	0.376	-0.659	-0.236	-0.349
Deaths from accidents and injuries per 100,000 under 19 years, average of latest three years available.	-0.62	0.358	0.006	-0.42	0.127
Reading literacy achievement aged 15: 2003	0.757	0.216	0.299	0.003	-0.150
Mathematics literacy achievement aged 15: 2003	0.854	0.171	0.091	0.213	0.012
Science literacy achievement aged 15: 2003	0.707	0.191	0.169	0.447	-0.136
Full-time and part-time students in public and private educational institutions aged 15-19 as a percentage of the population of 15-19 year-olds: 2003	0.575	0.154	-0.441	0.25	-0.117
Percentage of 15-19 year-olds not in education or employment: 2003	-0.552	-0.29	0.068	-0.300	0.002
Percentage of pupils aged 15 years aspiring to low	0.229	-0.127	-0.124	0.196	0.190

skilled work: 2003					
Percentage of young people living in single-parent family structures, aged 11, 13 and 15: 2001	0.285	0.59	0.356	-0.310	0.035
Percentage of young people living in step family structure, aged 11, 13 and 15: 2001	0.504	0.355	0.358	-0.264	-0.058
Percentage of students whose parents eat their main meal with them around a table several times a week, aged 15: 2000	0.281	-0.034	-0.654	0.225	0.355
Percentage of students whose parents spend time just talking to them several times per week, aged 15: 2000	0.017	0.202	-0.231	0.247	-0.435
Percentage of young people finding their peers 'kind and helpful', aged 11, 13 and 15: 2001	0.334	-0.233	-0.14	-0.447	0.371
Percentage smoking cigarettes at least once per week, aged 11, 13, 15: 2001	0.155	0.296	-0.147	0.121	0.135
Percentage of young people who have been drunk two or more times, aged 11, 13, 15: 2001	0.413	0.592	0.327	-0.22	0.014
Percentage of young people who have used cannabis in the last 12 months, aged 15: 2001	0.304	-0.224	0.307	0.282	-0.04
Adolescent fertility rate, births per 1000 women aged 15-19: 2003.	-0.491	0.55	0.571	-0.078	-0.071
Percentage of young people who have had sexual intercourse, aged 15: 2001	0.487	-0.215	0.407	-0.213	-0.053
Percentage of young people who used a condom during their last sexual intercourse, aged 15: 2001	-0.575	-0.32	-0.082	0.225	0.154
Percentage of young people involved in physical fighting in previous 12 months, aged 11, 13, 15: 2001	-0.444	0.379	0.008	0.357	-0.149
Percentage of young people who were bullied at least once in the last 2 months, aged 11, 13, 15: 2001	-0.245	0.471	0.138	-0.179	0.691
Percentage of young people who eat fruit every day, aged 11, 13, 15 years: 2001	-0.449	-0.568	-0.114	0.173	-0.02
Percentage of young people who eat breakfast every school day, aged 11, 13, 15 years: 2001	0.376	0.378	-0.438	-0.134	0.325
Mean number of days when young people are physically active for one hour or more of the previous /typical week, aged 11, 13, 15: 2001	0.048	0.139	0.581	0.119	-0.202
Percentage of young people who are overweight according to BMI, aged 13 and 15: 2001	-0.126	-0.429	0.488	0.249	-0.288
Percentage of young people rating their health as 'fair or poor', aged 11, 13 and 15: 2001	-0.128	0.731	0.183	0.056	0.310
Percentage of young people with scores above the middle of the life satisfaction scale, aged 11, 13 and 15: 2001	0.275	-0.774	-0.013	-0.146	-0.192
Percentage of students who agree with the statement 'I feel like an outsider or left out of things', aged 15: 2003	0.249	0.27	0.169	0.503	-0.183
Percentage of students who agree with the statement 'I feel awkward and out of place', aged 15: 2003	0.341	0.055	-0.019	0.514	0.585
Percentage of students who agree with the statement 'I feel lonely', aged 15: 2003	0.161	0.084	0.039	0.617	0.365
Percentage of young people 'liking school a lot', aged 11, 13, 15: 2001	-0.183	-0.235	0.069	0.041	0.462

Source: our own compilations and calculations, based on SPSS XVIII, Innsbruck University, based on UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445)

ADDITIONAL ECONOMETRIC AND POLITOMETRIC APPENDICES WITH FURTHER MATERIALS ON THE SUBJECT AND ON THE METHODOLOGY

I. REDUCING OVERALL POVERTY

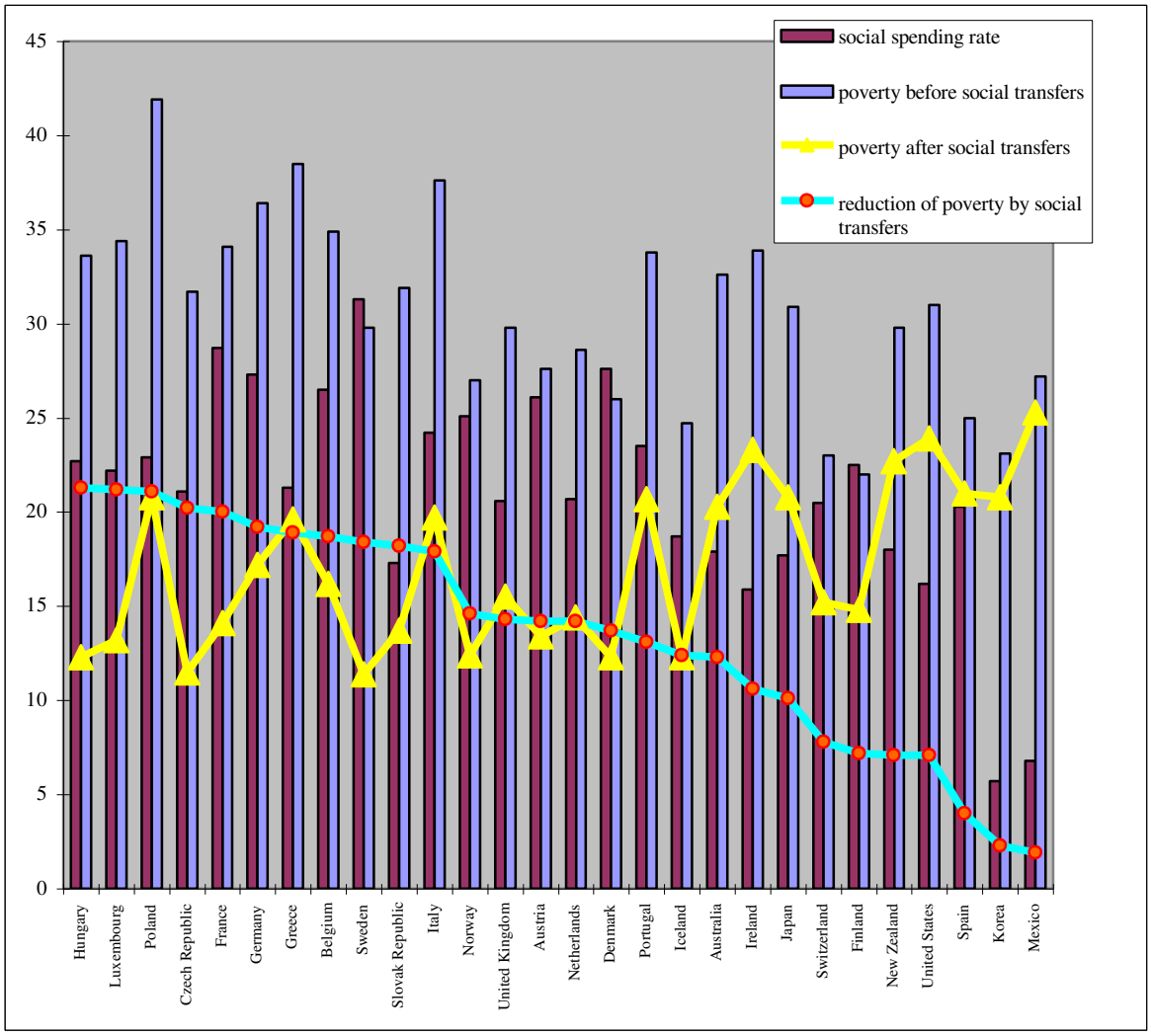
Table 1a: Reducing poverty – OECD countries

	Social expenditures	Poverty rate before social transfers	Poverty rate after social transfers	Reduction of poverty through social transfers	To lift out 1% of people out of poverty, it is necessary to spend … % of GDP
Spain	20,3	25	21	4	5,08
Mexico	6,8	27,2	25,3	1,9	3,58
Finland	22,5	22	14,8	7,2	3,13
Switzerland	20,5	23	15,2	7,8	2,63
New Zealand	18	29,8	22,7	7,1	2,54
Korea	5,7	23,1	20,8	2,3	2,48
United States	16,2	31	23,9	7,1	2,28
Denmark	27,6	26	12,3	13,7	2,01
Austria	26,1	27,6	13,4	14,2	1,84
Portugal	23,5	33,8	20,7	13,1	1,79
Japan	17,7	30,9	20,8	10,1	1,75
Norway	25,1	27	12,4	14,6	1,72
Sweden	31,3	29,8	11,4	18,4	1,70
Iceland	18,7	24,7	12,3	12,4	1,51
Ireland	15,9	33,9	23,3	10,6	1,50
Netherlands	20,7	28,6	14,4	14,2	1,46
Australia	17,9	32,6	20,3	12,3	1,46
United Kingdom	20,6	29,8	15,5	14,3	1,44
France	28,7	34,1	14,1	20	1,44
Germany	27,3	36,4	17,2	19,2	1,42
Belgium	26,5	34,9	16,2	18,7	1,42
Italy	24,2	37,6	19,7	17,9	1,35
Greece	21,3	38,5	19,6	18,9	1,13

Poland	22,9	41,9	20,8	21,1	1,09
Hungary	22,7	33,6	12,3	21,3	1,07
Luxembourg	22,2	34,4	13,2	21,2	1,05
Czech Republic	21,1	31,7	11,5	20,2	1,04
Slovak Republic	17,3	31,9	13,7	18,2	0,95

Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Graph 1a: social expenditures and reducing poverty – OECD countries



Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

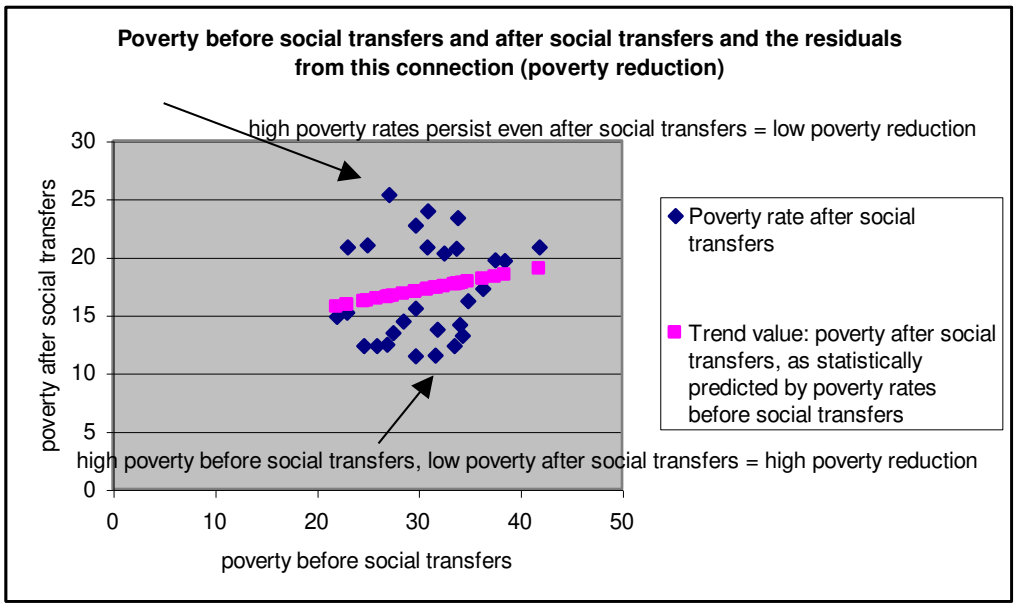
Table 1b: Efficiency parameters of the reduction of poverty – a regression analytical approach – OECD countries

	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10
Czech Republic	21,10	31,70	11,50	20,20	1,04	17,26	-5,76	5,76	0,03	5,73
Slovak Republic	17,30	31,90	13,70	18,20	0,95	17,29	-3,59	3,59	-1,86	5,45
Iceland	18,70	24,70	12,30	12,40	1,51	16,10	-3,80	3,80	-1,16	4,97
Hungary	22,70	33,60	12,30	21,30	1,07	17,57	-5,27	5,27	0,82	4,45
Luxembourg	22,20	34,40	13,20	21,20	1,05	17,70	-4,50	4,50	0,57	3,93
Korea	5,70	23,10	20,80	2,30	2,48	15,84	4,96	-4,96	-7,61	2,65
Netherlands	20,70	28,60	14,40	14,20	1,46	16,75	-2,35	2,35	-0,17	2,52
Norway	25,10	27,00	12,40	14,60	1,72	16,48	-4,08	4,08	2,01	2,07
United Kingdom	20,60	29,80	15,50	14,30	1,44	16,94	-1,44	1,44	-0,22	1,67
Switzerland	20,50	23,00	15,20	7,80	2,63	15,82	-0,62	0,62	-0,27	0,90
Denmark	27,60	26,00	12,30	13,70	2,01	16,32	-4,02	4,02	3,25	0,77
Austria	26,10	27,60	13,40	14,20	1,84	16,58	-3,18	3,18	2,51	0,67
Sweden	31,30	29,80	11,40	18,40	1,70	16,94	-5,54	5,54	5,09	0,46
Finland	22,50	22,00	14,80	7,20	3,13	15,66	-0,86	0,86	0,72	0,14
France	28,70	34,10	14,10	20,00	1,44	17,65	-3,55	3,55	3,80	-0,24
Belgium	26,50	34,90	16,20	18,70	1,42	17,79	-1,59	1,59	2,71	-1,12
Australia	17,90	32,60	20,30	12,30	1,46	17,41	2,89	-2,89	-1,56	-1,33
Greece	21,30	38,50	19,60	18,90	1,13	18,38	1,22	-1,22	0,13	-1,35
Mexico	6,80	27,20	25,30	1,90	3,58	16,52	8,78	-8,78	-7,07	-1,72
Japan	17,70	30,90	20,80	10,10	1,75	17,13	3,67	-3,67	-1,66	-2,01
Germany	27,30	36,40	17,20	19,20	1,42	18,03	-0,83	0,83	3,10	-2,27
Poland	22,90	41,90	20,80	21,10	1,09	18,94	1,86	-1,86	0,92	-2,78
Italy	24,20	37,60	19,70	17,90	1,35	18,23	1,47	-1,47	1,56	-3,03
Ireland	15,90	33,90	23,30	10,60	1,50	17,62	5,68	-5,68	-2,55	-3,13
New Zealand	18,00	29,80	22,70	7,10	2,54	16,94	5,76	-5,76	-1,51	-4,24
Portugal	23,50	33,80	20,70	13,10	1,79	17,60	3,10	-3,10	1,22	-4,31
United States	16,20	31,00	23,90	7,10	2,28	17,14	6,76	-6,76	-2,40	-4,35
Spain	20,30	25,00	21,00	4,00	5,08	16,15	4,85	-4,85	-0,37	-4,48

Column 1	Social expenditures	OECD stats
Column 2	Poverty rate before social transfers	OECD stats
Column 3	Poverty rate after social transfers	OECD stats
Column 4	Reduction of poverty through social transfers	simple algebraic substraction, based on OECD stats data: Column 2 - Column 3
Column 5	To lift out 1% of people out of poverty, it is necessary to spend … % of GDP	simple algebraic calculation, based on OECD stats: Column 1:Column 4
Column 6	Trend value: poverty after social transfers, as statistically predicted by poverty rates before social transfers	linear trend values EXCEL regression on OECD stats data: poverty before social transfers (x)->poverty after social transfers (y)
Column 7	residual from this regression ("poverty too large in comparison to what one could expect from our knowledge about poverty before social transfers")	subtraction of poverty after social transfers data (Column 3) from predicted value (Column 6)
Column 8	analytical measure of poverty reduction (regression residual * -1)	simple multiplication of column 7 by (-1)
Column 9	Trend value: poverty reduction (social expenditures->analytical measure poverty reduction)	linear trend value EXCEL regression based on OECD stats data: Column 1 -> Column 8
Column 10	efficiency of social spending in poverty reduction	Column 8 minus Column 9

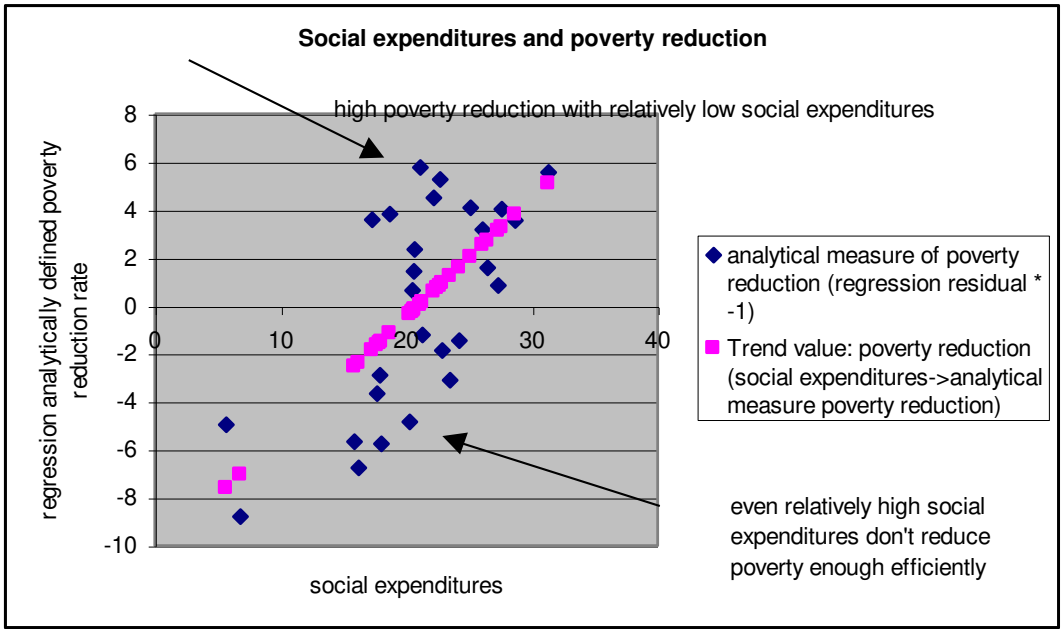
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Graph 1b: the methodology of social spending efficiency: poverty before social transfers and after social transfers and the residuals from this connection (poverty reduction)



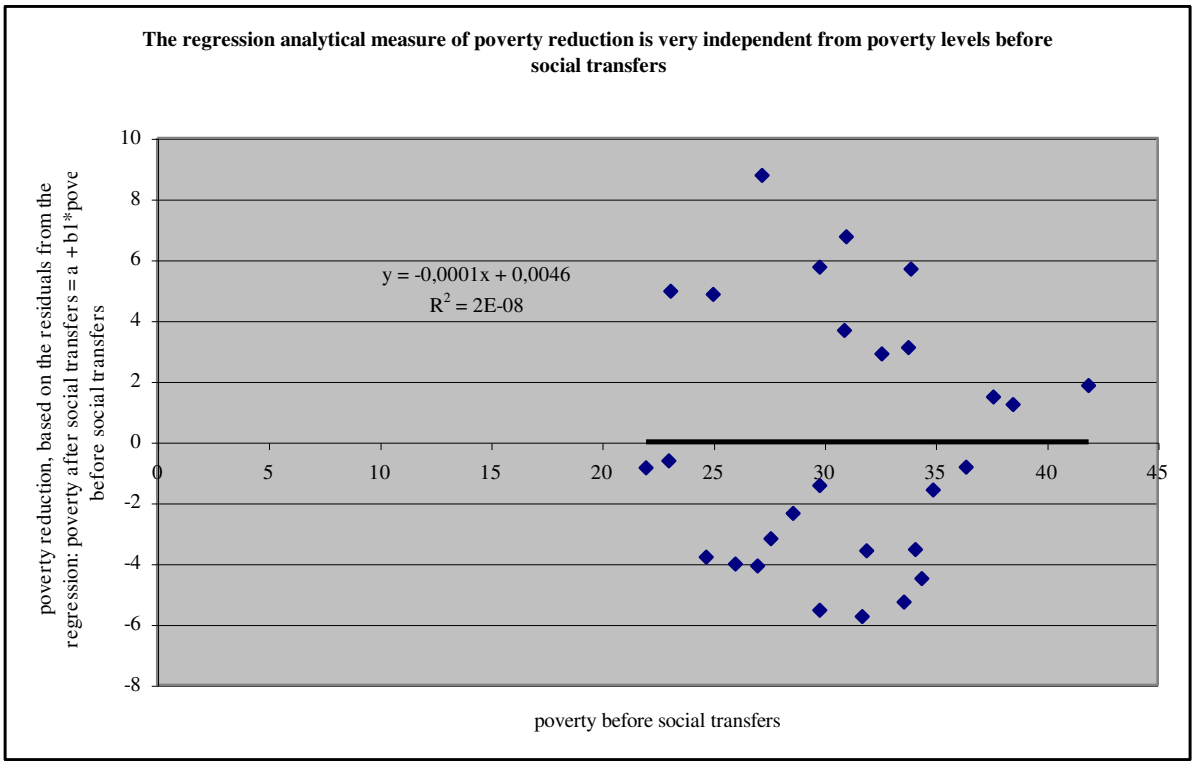
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Graph 1c: the methodology of social spending efficiency: social expenditures and poverty reduction



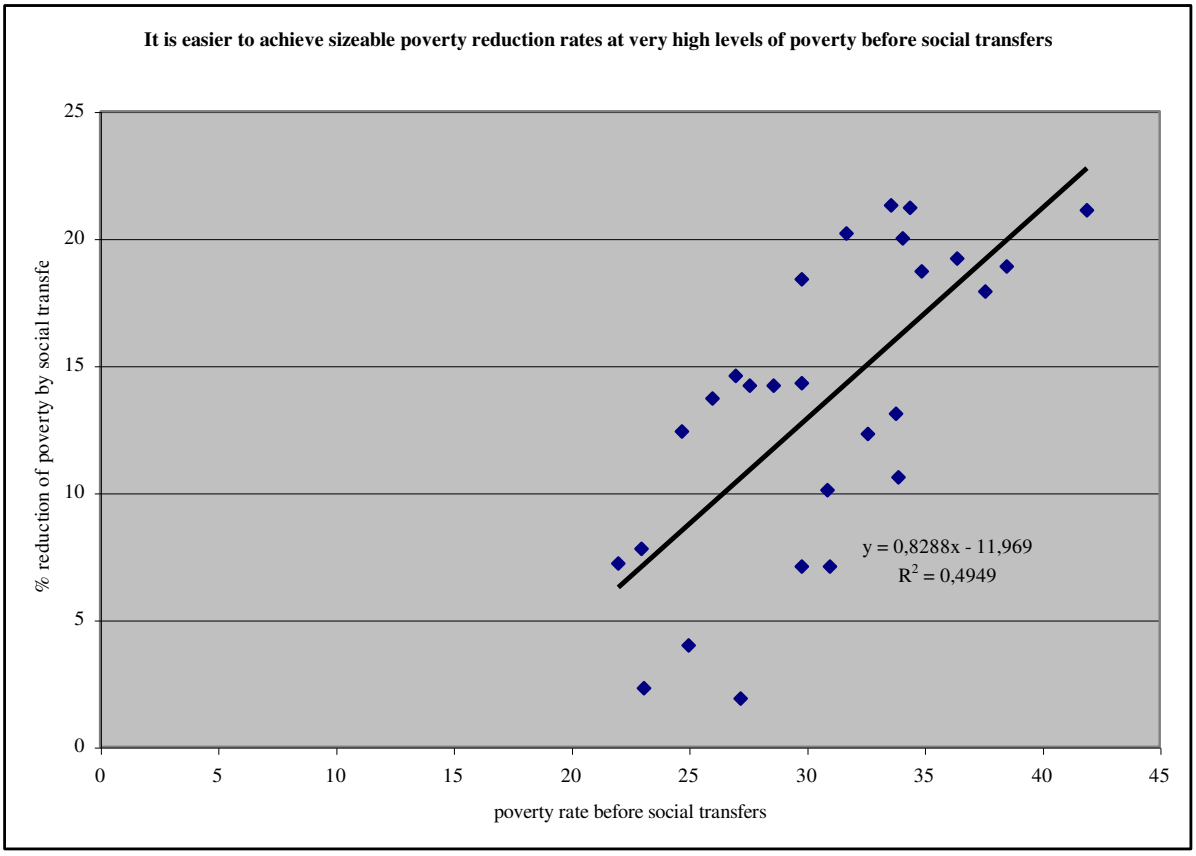
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Graph 1d: The regression analytical measure of poverty reduction is very independent from poverty levels before social transfers



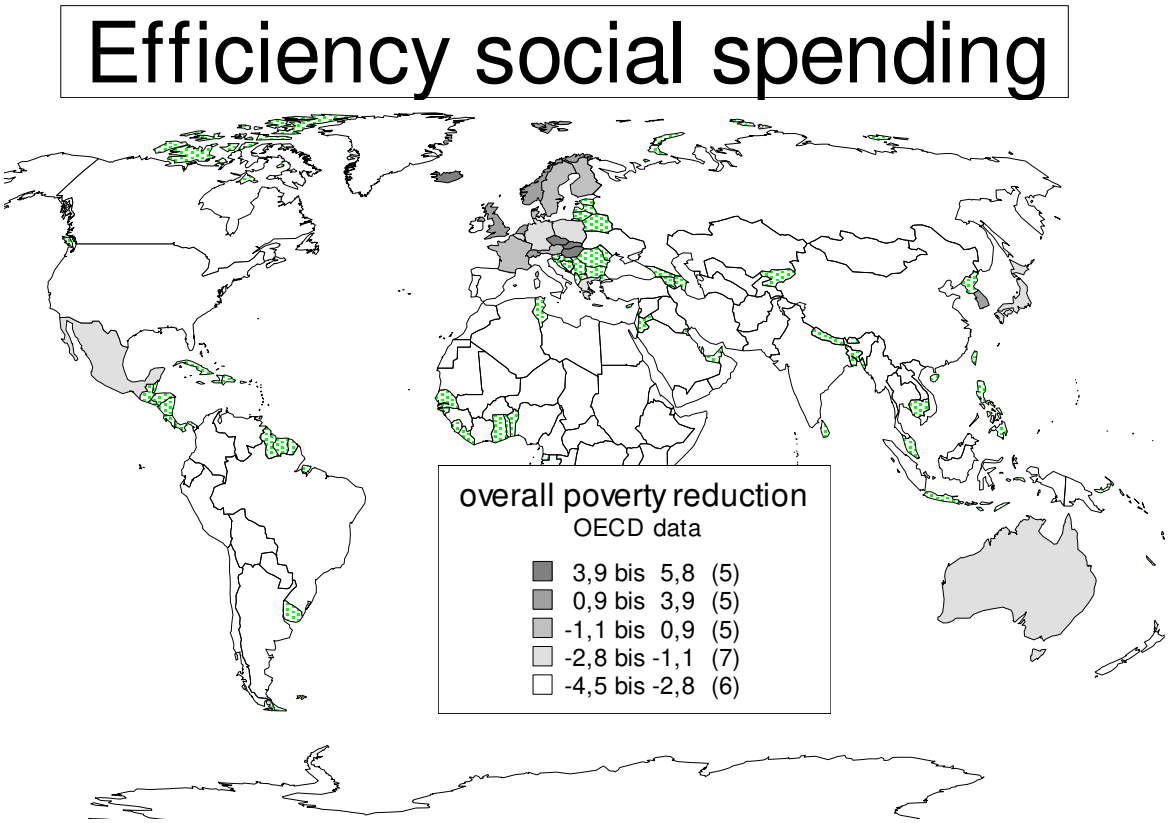
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Graph 1e: by contrast - the measurement bias of the conventional poverty reduction scale, which is VERY MUCH biased as seen by the trade-off between the levels of poverty before social transfers and the simple difference between poverty before and after social transfers



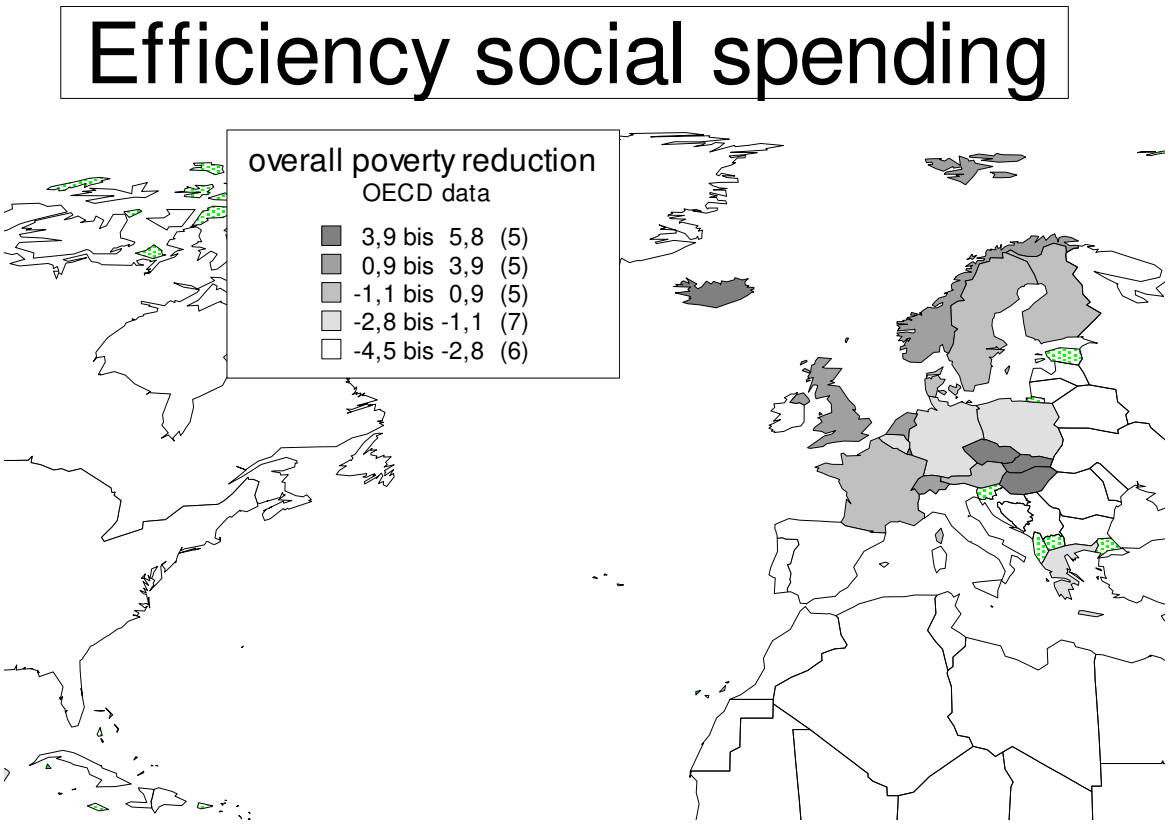
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Map 1a: The efficiency of social spending in reducing poverty according to the methodology of Table 1b and Graph 1b and Graph 1c



Source: our own calculations, based on the data of this article, SPSS XV, and the original OECD (2008) data. Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 1b: The efficiency of social spending in reducing poverty in the Atlantic arena according to the methodology of Table 1b and Graph 1b and Graph 1c



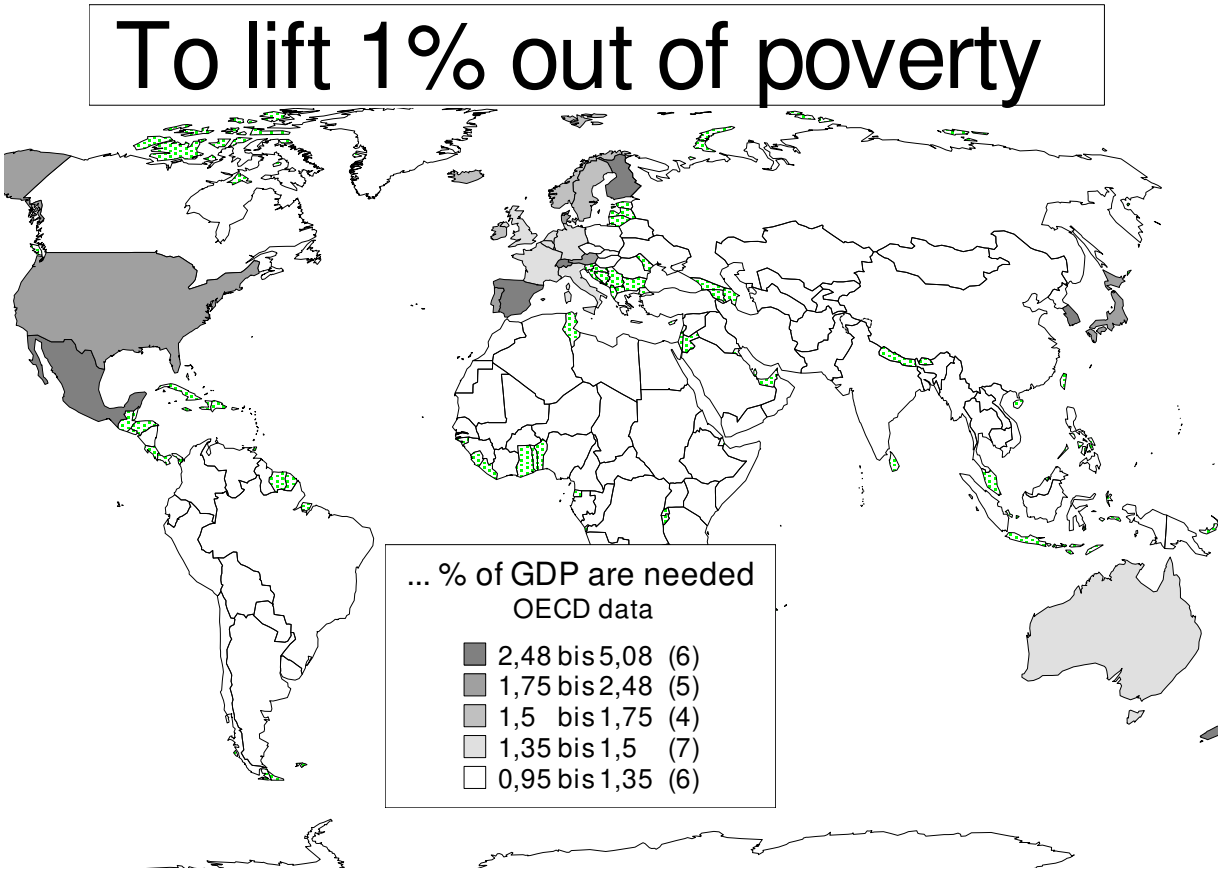
Source: our own calculations, based on the data of this article, SPSS XV, and the original OECD (2008) data. Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Table 1c: how much it costs to lift 1% of people out of poverty – OECD countries

	to lift out 1 % of people out of poverty, the following % of GDP in terms of social expenditures was needed				
Year	1985	1990	1995	2000	2003
Slovak Republic					0,95
Czech Republic			0,93	0,91	1,04
Luxembourg					1,05
Hungary				1,11	1,07
Poland					1,09
Greece			1,29	1,18	1,13
Italy			1,49	1,44	1,35
Belgium			1,08	1,11	1,42
Germany	1,39	1,42	1,45	1,32	1,42
France	1,06	1,13	1,28	1,29	1,44
United Kingdom				1,49	1,44
Australia			1,53	1,46	1,46
Netherlands			1,80	1,38	1,46
Ireland				2,23	1,50
Iceland					1,51
Sweden	1,34	1,47	1,29	1,51	1,70
Norway	2,08		1,67	1,62	1,72
Japan			4,21	2,33	1,75
Portugal		1,80	2,08	2,53	1,79
Austria					1,84
Denmark	2,69	2,24	1,83	1,95	2,01
United States	1,98	2,09	2,05	2,21	2,28
Korea					2,48
New Zealand	1,98	2,00	1,38	1,97	2,54
Switzerland				2,43	2,63
Finland	2,81		1,86	2,48	3,13
Mexico	-9,50		3,62	6,44	3,58
Spain			3,16	5,23	5,08

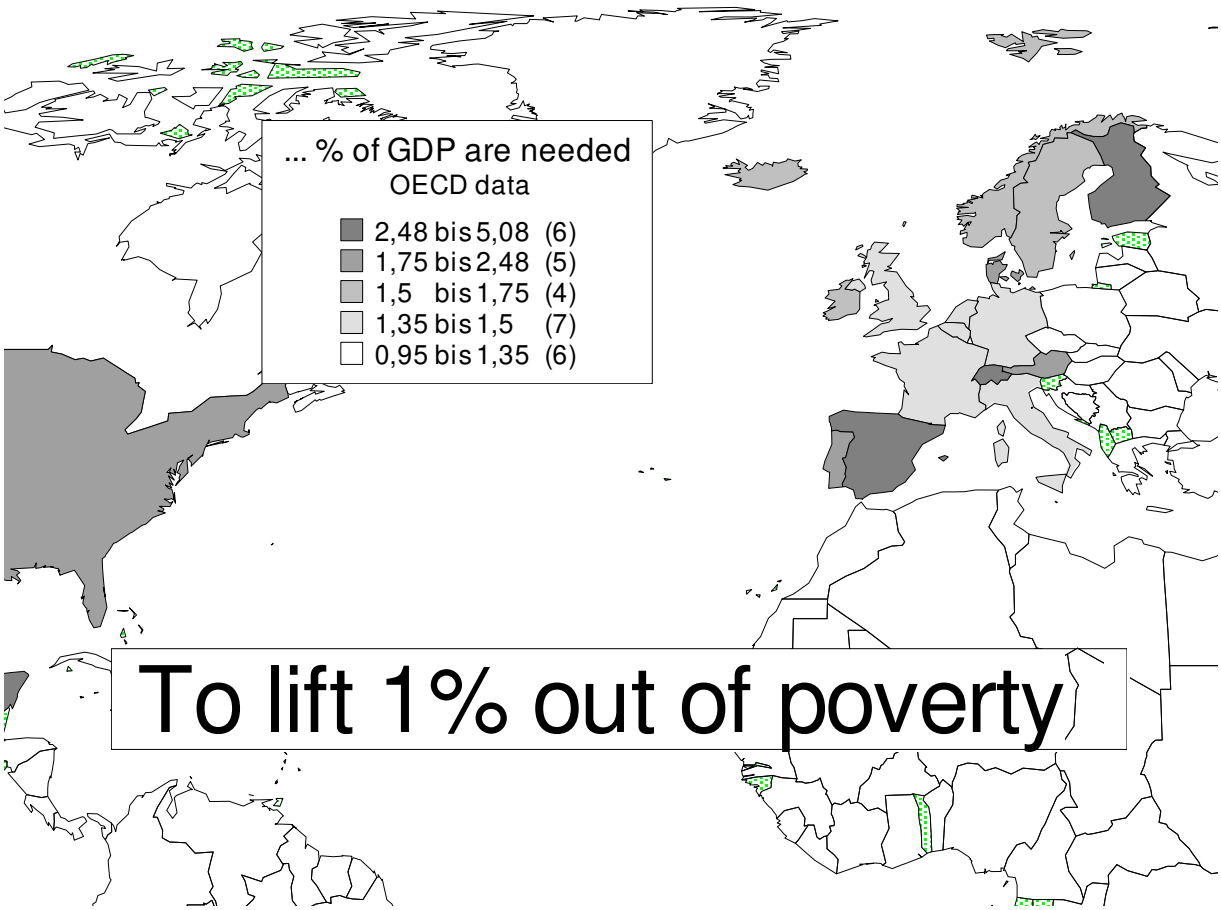
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Map 1c: The efficiency of social spending in reducing poverty according to the methodology of Table 1c



Source: our own calculations, based on the data of this article, SPSS XV, and the original OECD (2008) data. Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 1d: The efficiency of social spending in reducing poverty in the Atlantic arena according to the methodology of Table 1c



Source: our own calculations, based on the data of this article, SPSS XV, and the original OECD (2008) data. Countries marked in green color: no data available. “Bis” is shorthand for “ranging from … to”

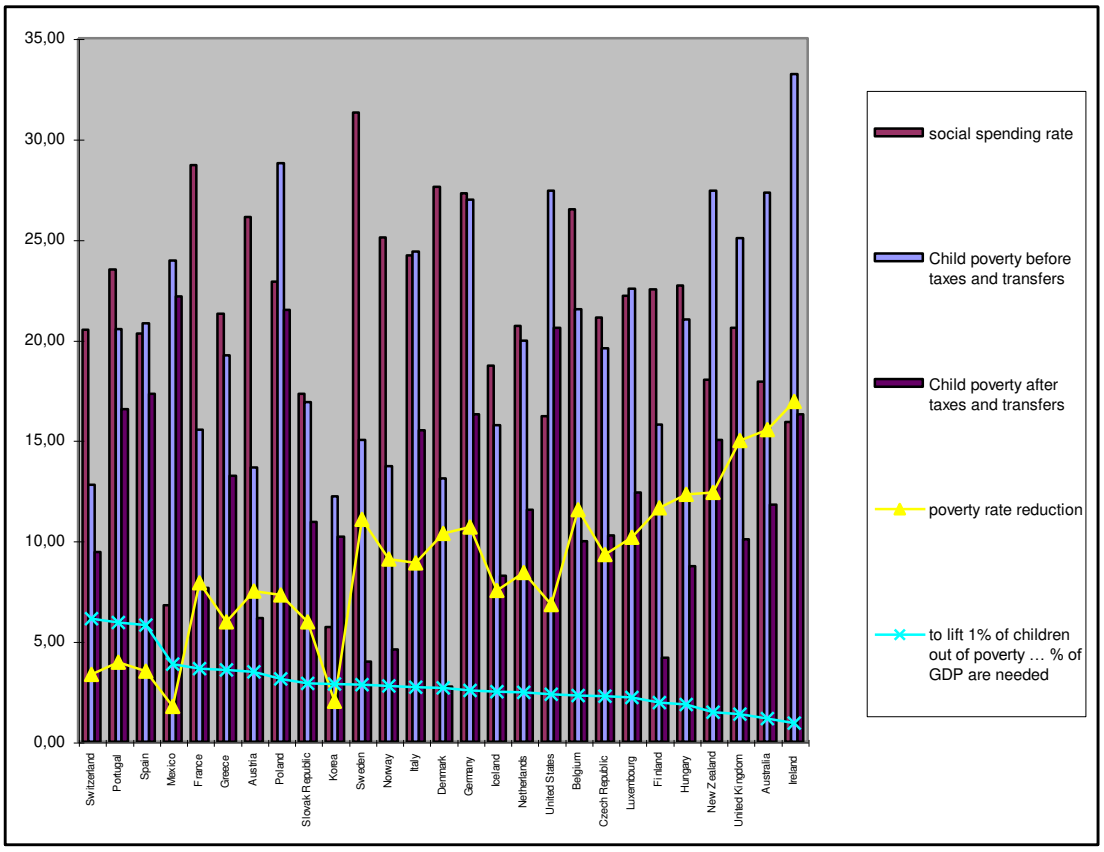
II. REDUCING CHILD POVERTY

Table 2a: Reducing Child poverty – OECD countries

	social spending rate	Child poverty before taxes and transfers	Child poverty after taxes and transfers	Child poverty rate reduction by social transfers	to lift 1% of children out of poverty … % of GDP are needed
Ireland	15,90	33,22	16,30	16,92	0,94
Australia	17,90	27,31	11,79	15,52	1,15
United Kingdom	20,60	25,06	10,08	14,98	1,38
New Zealand	18,00	27,40	15,00	12,40	1,45
Hungary	22,70	21,01	8,72	12,29	1,85
Finland	22,50	15,79	4,17	11,62	1,94
Belgium	26,50	21,52	9,97	11,55	2,29
Sweden	31,30	15,02	3,97	11,06	2,83
Germany	27,30	26,97	16,29	10,68	2,56
Denmark	27,60	13,10	2,74	10,36	2,66
Luxembourg	22,20	22,55	12,39	10,16	2,19
Czech Republic	21,10	19,58	10,27	9,31	2,27
Norway	25,10	13,70	4,60	9,10	2,76
Italy	24,20	24,40	15,50	8,90	2,72
Netherlands	20,70	19,95	11,53	8,42	2,46
France	28,70	15,53	7,64	7,89	3,64
Iceland	18,70	15,76	8,25	7,51	2,49
Austria	26,10	13,66	6,17	7,49	3,48
Poland	22,90	28,80	21,50	7,30	3,14
United States	16,20	27,42	20,59	6,83	2,37
Greece	21,30	19,21	13,23	5,98	3,56
Slovak Republic	17,30	16,90	10,93	5,97	2,90
Portugal	23,50	20,52	16,55	3,97	5,92
Spain	20,30	20,80	17,30	3,50	5,80
Switzerland	20,50	12,79	9,43	3,35	6,11
Korea	5,70	12,20	10,20	2,00	2,85
Mexico	6,80	23,92	22,16	1,76	3,86
Japan	17,70	12,78	13,69	-0,91	-19,46

Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Graph 2a: social expenditures and reducing child poverty – OECD countries



Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

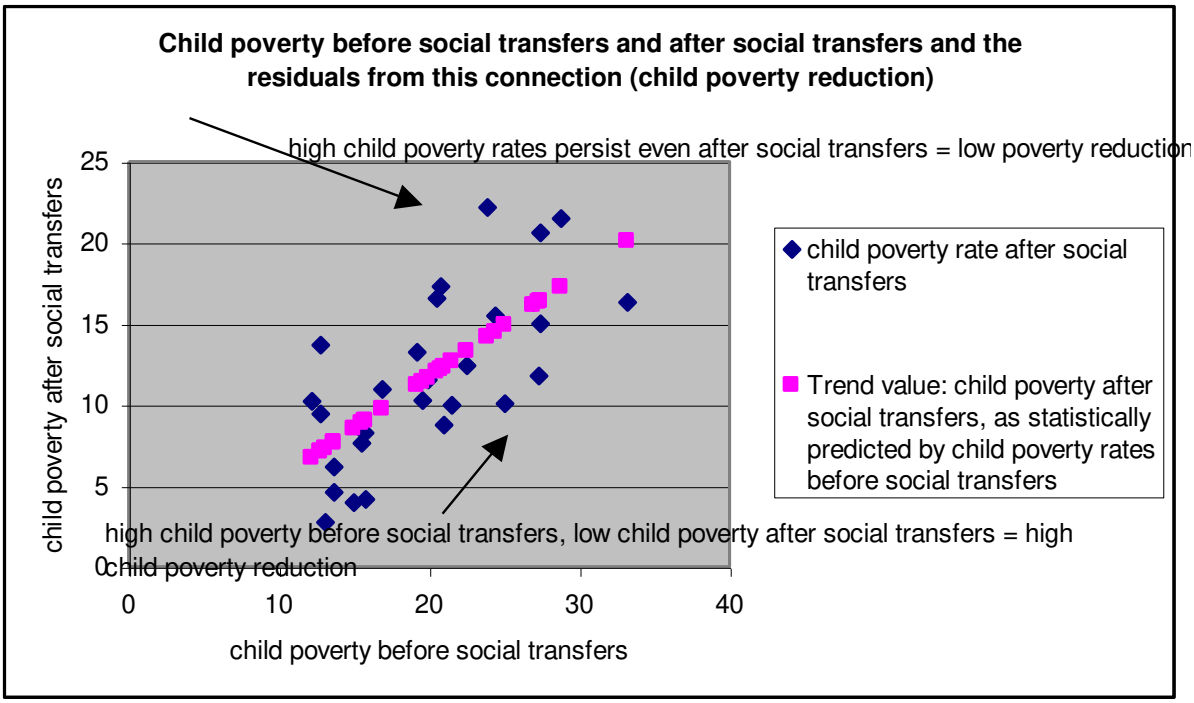
Table 2b: Efficiency parameters of the reduction of child poverty – a regression analytical approach – OECD countries

	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10
Australia	17,90	27,31	11,79	15,52	1,15	16,30	-4,51	4,51	-1,03	5,54
Ireland	15,90	33,22	16,30	16,92	0,94	20,06	-3,76	3,76	-1,68	5,44
United Kingdom	20,60	25,06	10,08	14,98	1,38	14,88	-4,80	4,80	-0,15	4,94
Finland	22,50	15,79	4,17	11,62	1,94	8,99	-4,82	4,82	0,47	4,35
Hungary	22,70	21,01	8,72	12,29	1,85	12,31	-3,59	3,59	0,54	3,05
Denmark	27,60	13,10	2,74	10,36	2,66	7,28	-4,54	4,54	2,14	2,41
New Zealand	18,00	27,40	15,00	12,40	1,45	16,36	-1,36	1,36	-0,99	2,36
Norway	25,10	13,70	4,60	9,10	2,76	7,66	-3,06	3,06	1,32	1,74
Korea	5,70	12,20	10,20	2,00	2,85	6,71	3,49	-3,49	-5,01	1,52
Iceland	18,70	15,76	8,25	7,51	2,49	8,97	-0,72	0,72	-0,77	1,49
Sweden	31,30	15,02	3,97	11,06	2,83	8,50	-4,53	4,53	3,34	1,19
Czech Republic	21,10	19,58	10,27	9,31	2,27	11,40	-1,13	1,13	0,02	1,11
Belgium	26,50	21,52	9,97	11,55	2,29	12,63	-2,66	2,66	1,78	0,88
Luxembourg	22,20	22,55	12,39	10,16	2,19	13,28	-0,89	0,89	0,38	0,52
Netherlands	20,70	19,95	11,53	8,42	2,46	11,63	-0,10	0,10	-0,11	0,22
Slovak Republic	17,30	16,90	10,93	5,97	2,90	9,70	1,23	-1,23	-1,22	-0,01
Austria	26,10	13,66	6,17	7,49	3,48	7,64	-1,47	1,47	1,65	-0,18
France	28,70	15,53	7,64	7,89	3,64	8,83	-1,19	1,19	2,50	-1,31
Italy	24,20	24,40	15,50	8,90	2,72	14,46	1,04	-1,04	1,03	-2,07
Greece	21,30	19,21	13,23	5,98	3,56	11,16	2,07	-2,07	0,08	-2,15
Switzerland	20,50	12,79	9,43	3,35	6,11	7,09	2,34	-2,34	-0,18	-2,16
Germany	27,30	26,97	16,29	10,68	2,56	16,09	0,20	-0,20	2,04	-2,24
United States	16,20	27,42	20,59	6,83	2,37	16,37	4,22	-4,22	-1,58	-2,63
Mexico	6,80	23,92	22,16	1,76	3,86	14,15	8,01	-8,01	-4,65	-3,36
Poland	22,90	28,80	21,50	7,30	3,14	17,25	4,25	-4,25	0,60	-4,85
Spain	20,30	20,80	17,30	3,50	5,80	12,17	5,13	-5,13	-0,24	-4,88
Portugal	23,50	20,52	16,55	3,97	5,92	11,99	4,56	-4,56	0,80	-5,36
Japan	17,70	12,78	13,69	-0,91	-19,46	7,08	6,61	-6,61	-1,09	-5,52

Column 1	Social expenditures	OECD stats
Column 2	child poverty rate before social transfers	OECD stats
Column 3	child poverty rate after social transfers	OECD stats
Column 4	Reduction of child poverty through social transfers	simple algebraic substraction, based on OECD stats data: Column 2 - Column 3
Column 5	To lift out 1% of people out of child poverty, it is necessary to spend … % of GDP	simple algebraic calculation, based on OECD stats: Column 1:Column 4
Column 6	Trend value: child poverty after social transfers, as statistically predicted by child poverty rates before social transfers	linear trend values EXCEL regression on OECD stats data: child poverty before social transfers (x)->child poverty after social transfers (y)
Column 7	residual from this regression ("child poverty too large in comparison to what one could expect from our knowledge about child poverty before social transfers")	subtraction of child poverty after social transfers data (Column 3) from predicted value (Column 6)
Column 8	analytical measure of child poverty reduction (regression residual * -1)	simple multiplication of column 7 by (-1)
Column 9	Trend value: child poverty reduction (social expenditures->analytical measure child poverty reduction)	linear trend value EXCEL regression based on OECD stats data: Column 1 -> Column 8
Column 10	efficiency of social spending in child poverty reduction	Column 8 minus Column 9

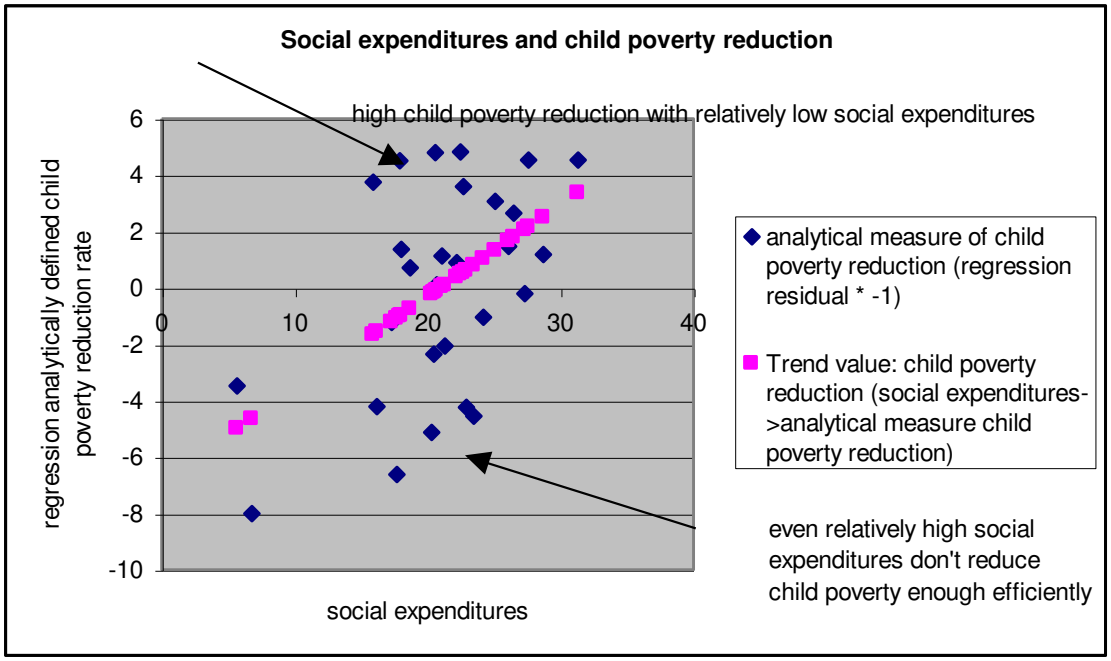
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Graph 2b: the methodology of social spending efficiency: child poverty before social transfers and after social transfers and the residuals from this connection (child poverty reduction)



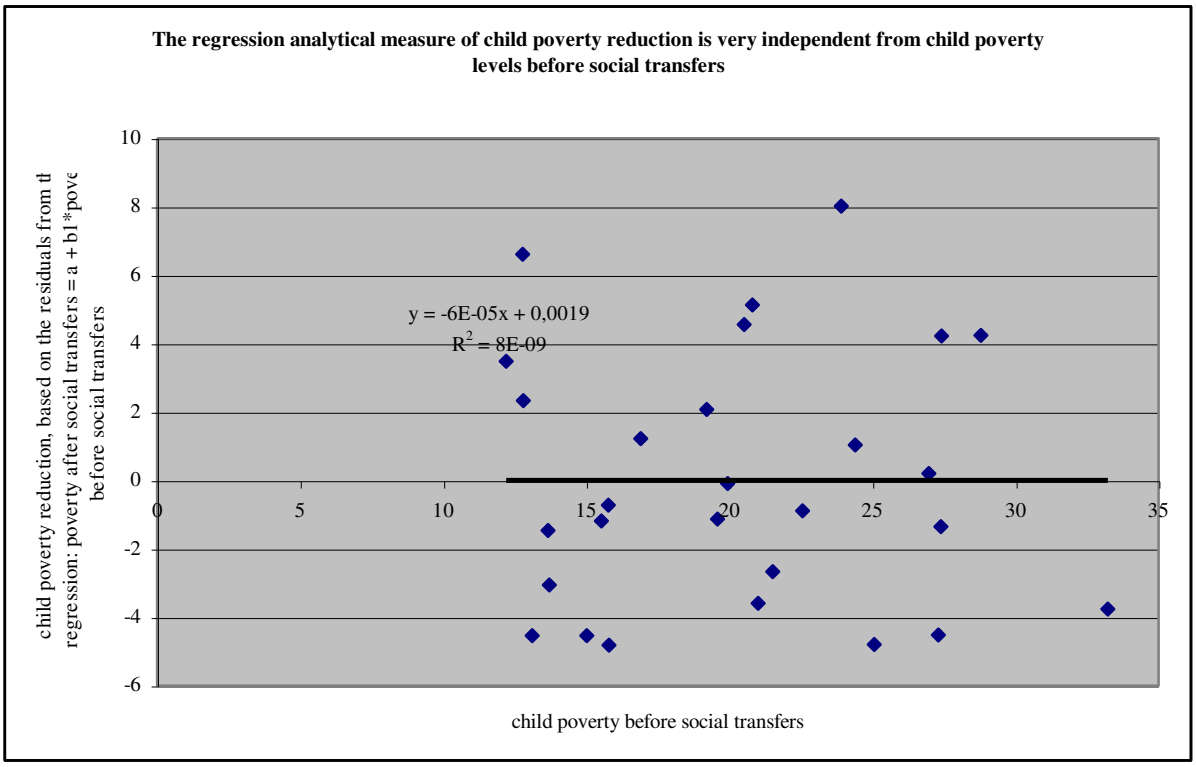
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Graph 2c: the methodology of social spending efficiency: social expenditures and child poverty reduction



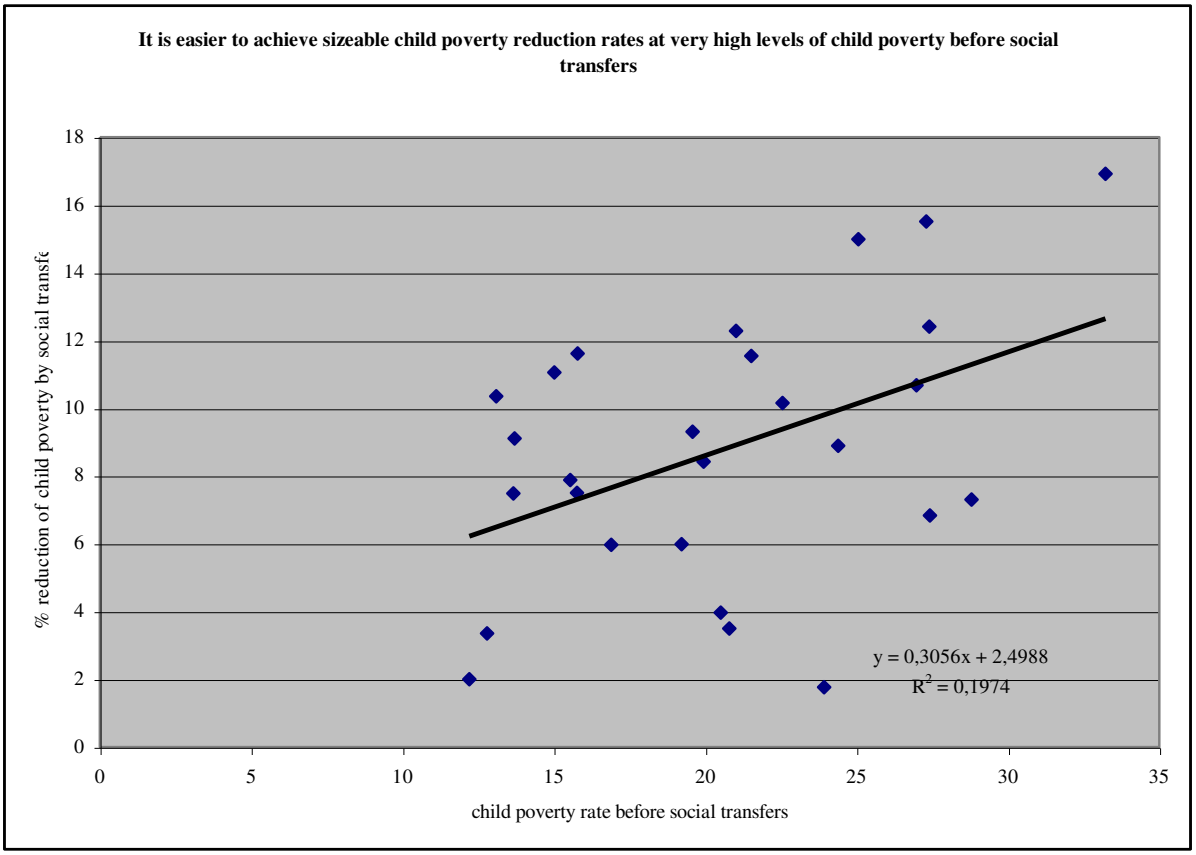
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Graph 2d: The regression analytical measure of child poverty reduction is very independent from child poverty levels before social transfers



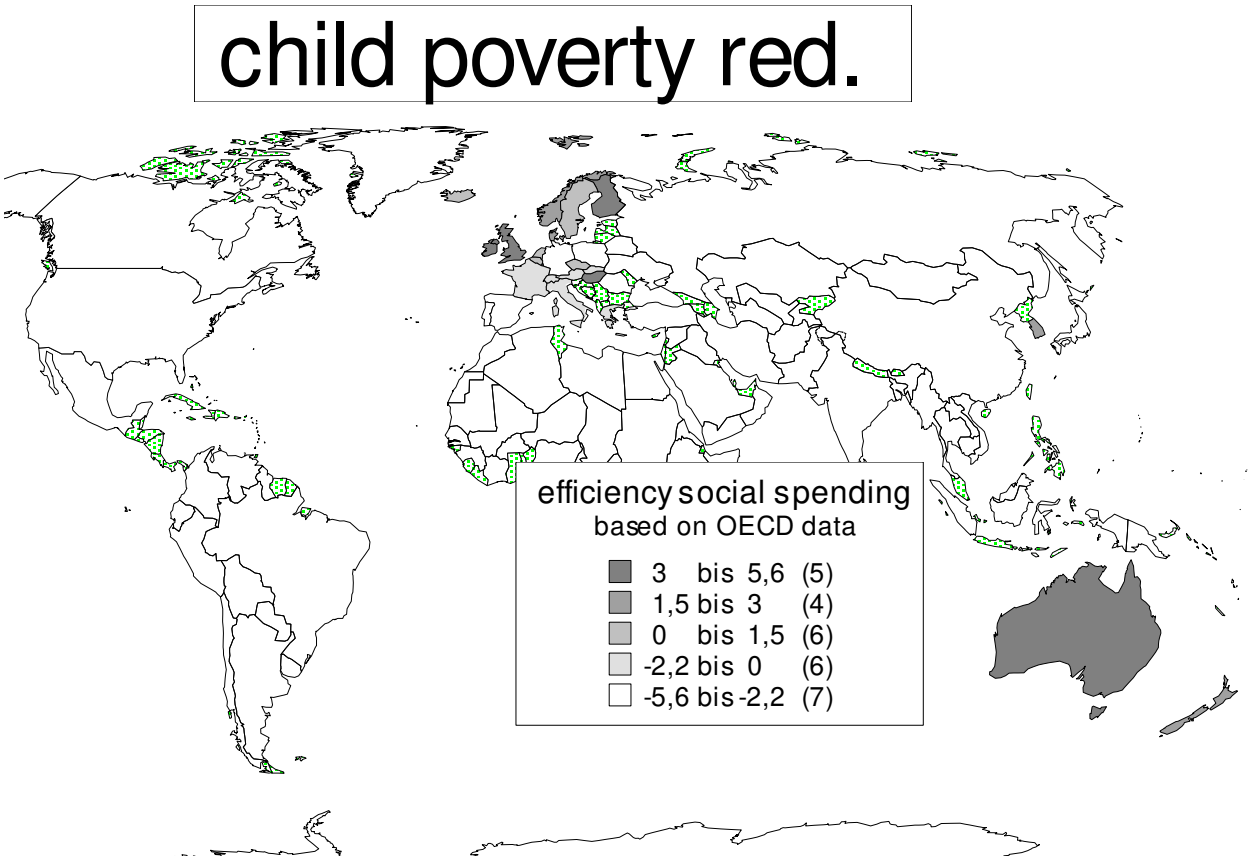
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Graph 2e: by contrast again - the measurement bias of the conventional child poverty reduction scale, which is VERY MUCH biased as seen by the trade-off between the levels of child poverty before social transfers and the simple difference between child poverty before and after social transfers



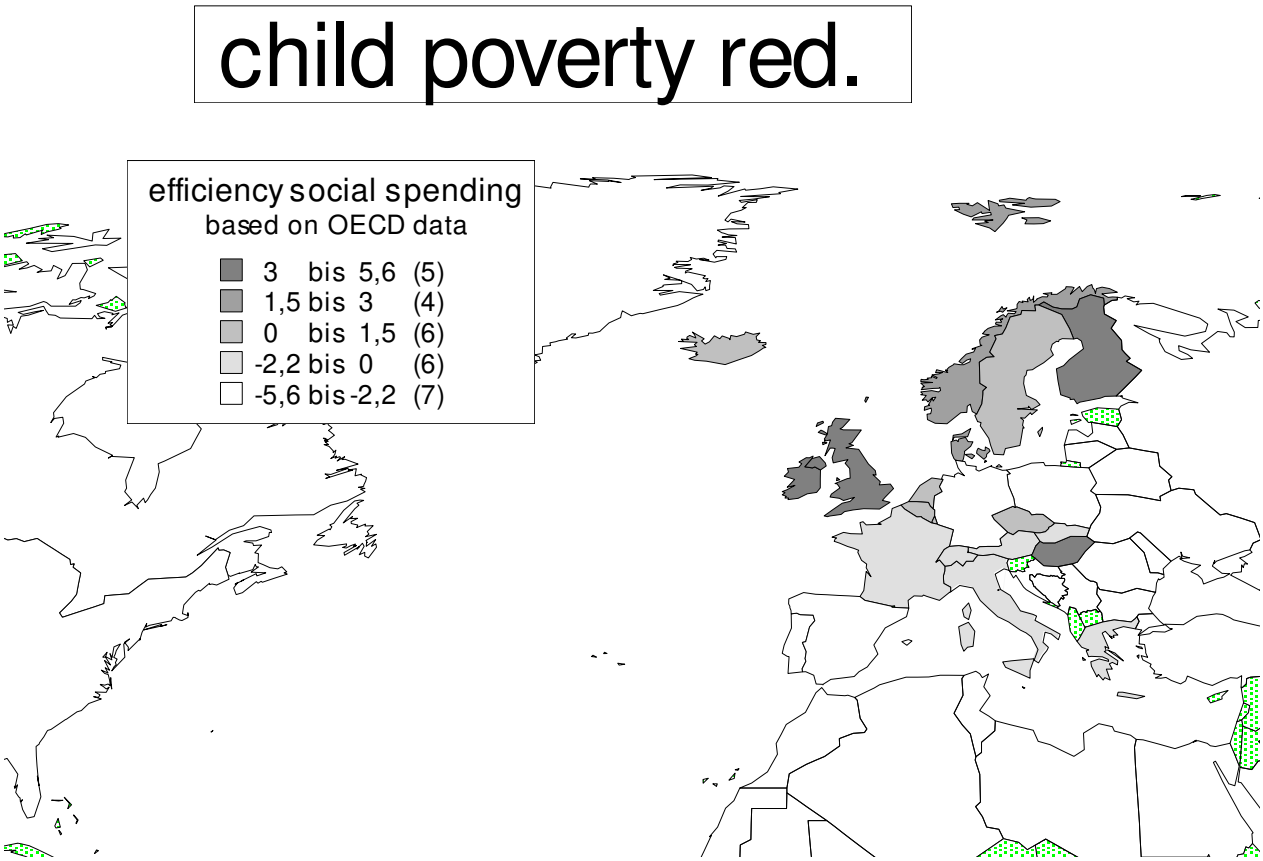
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Map 2a: The efficiency of social spending in reducing child poverty according to the methodology of Table 2b and Graph 2b and Graph 2c



Source: our own calculations, based on the data of this article, SPSS XV, and the original OECD (2008) data. Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 2b: The efficiency of social spending in reducing child poverty in the Atlantic arena according to the methodology of Table 2b and Graph 2b and Graph 2c



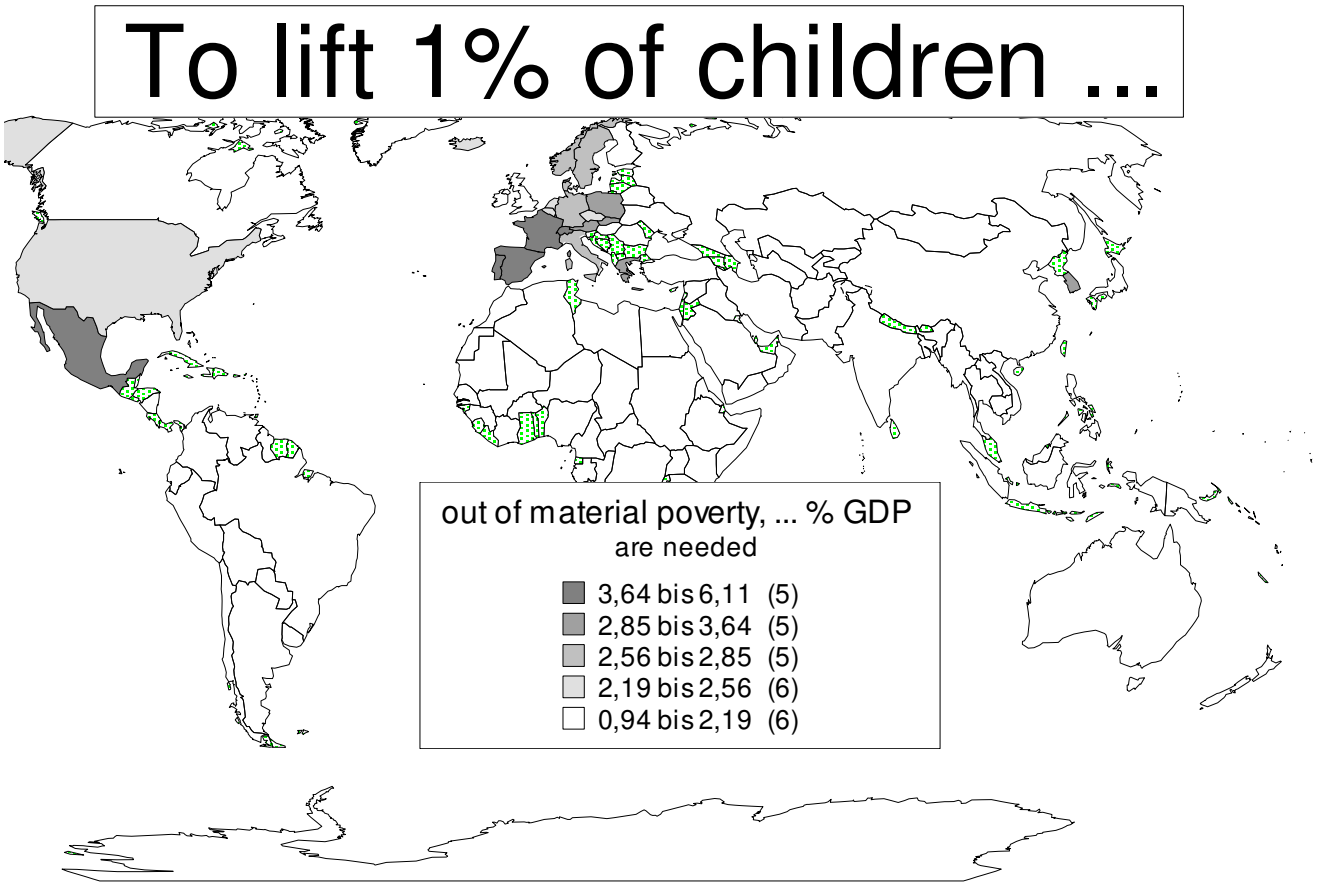
Source: our own calculations, based on the data of this article, SPSS XV, and the original OECD (2008) data. Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Table 2c: how much it costs to lift 1% of children out of poverty – OECD countries

	social spending rate	Child poverty before taxes and transfers	Child poverty after taxes and transfers	poverty rate reduction	to lift 1% of children out of poverty … % of GDP are needed
Switzerland	20,50	12,79	9,43	3,35	6,11
Portugal	23,50	20,52	16,55	3,97	5,92
Spain	20,30	20,80	17,30	3,50	5,80
Mexico	6,80	23,92	22,16	1,76	3,86
France	28,70	15,53	7,64	7,89	3,64
Greece	21,30	19,21	13,23	5,98	3,56
Austria	26,10	13,66	6,17	7,49	3,48
Poland	22,90	28,80	21,50	7,30	3,14
Slovak Republic	17,30	16,90	10,93	5,97	2,90
Korea	5,70	12,20	10,20	2,00	2,85
Sweden	31,30	15,02	3,97	11,06	2,83
Norway	25,10	13,70	4,60	9,10	2,76
Italy	24,20	24,40	15,50	8,90	2,72
Denmark	27,60	13,10	2,74	10,36	2,66
Germany	27,30	26,97	16,29	10,68	2,56
Iceland	18,70	15,76	8,25	7,51	2,49
Netherlands	20,70	19,95	11,53	8,42	2,46
United States	16,20	27,42	20,59	6,83	2,37
Belgium	26,50	21,52	9,97	11,55	2,29
Czech Republic	21,10	19,58	10,27	9,31	2,27
Luxembourg	22,20	22,55	12,39	10,16	2,19
Finland	22,50	15,79	4,17	11,62	1,94
Hungary	22,70	21,01	8,72	12,29	1,85
New Zealand	18,00	27,40	15,00	12,40	1,45
United Kingdom	20,60	25,06	10,08	14,98	1,38
Australia	17,90	27,31	11,79	15,52	1,15
Ireland	15,90	33,22	16,30	16,92	0,94

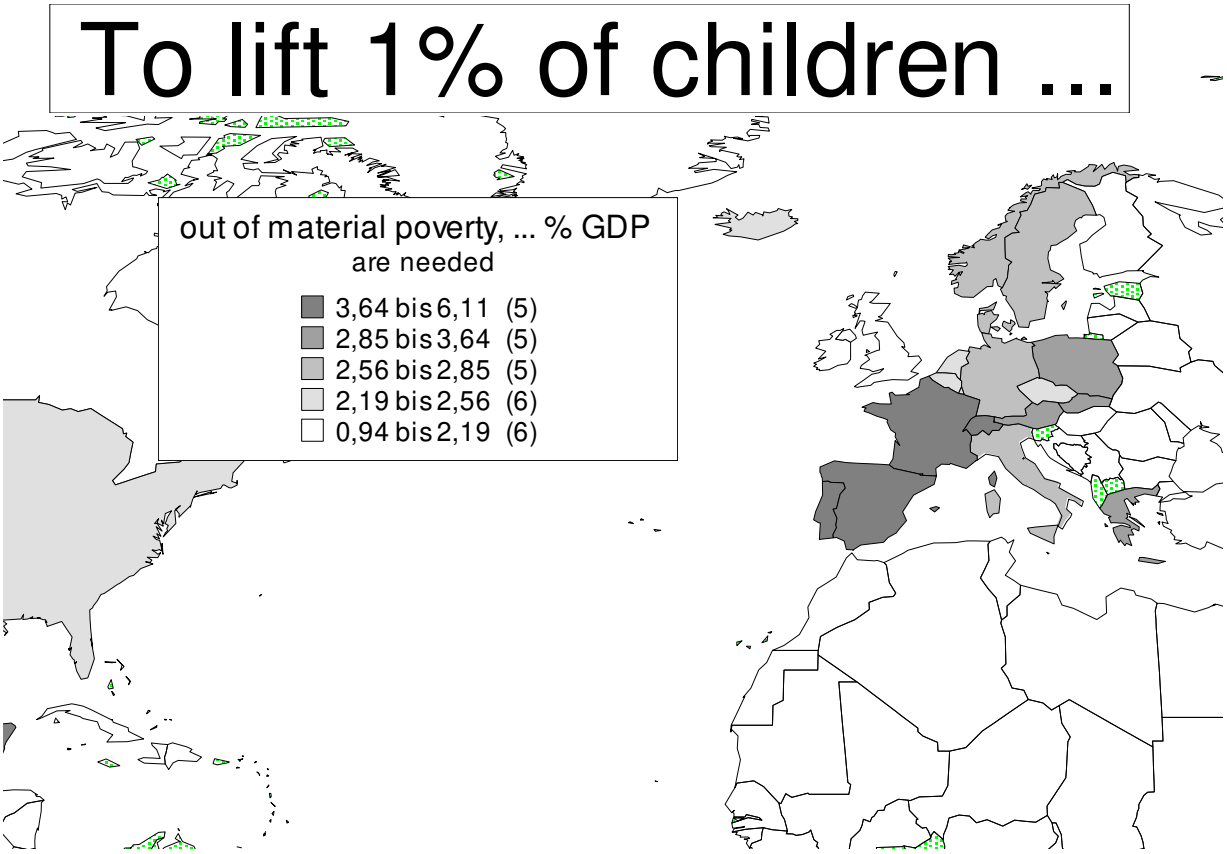
Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Map 2c: The efficiency of social spending in reducing child poverty according to the simple and direct methodology of Table 2c: how much it costs to lift 1% of children out of poverty – OECD countries



Source: our own calculations, based on the data of this article, SPSS XV, and the original OECD (2008) data. Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 2d: The efficiency of social spending in reducing child poverty in the Atlantic arena according to the simple and direct methodology of Table 2c: how much it costs to lift 1% of children out of poverty – OECD countries



Source: our own calculations, based on the data of this article, SPSS XV, and the original OECD (2008) data. Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

III OVERALL POVERTY REDUCTION AND CHILD POVERTY REDUCTION. WHERE AND HOW STRONGLY SOCIAL POLICY IS PRO-CHILDREN AND THE YOUNG GENERATION

Table 3a: Two tales of social policy efficiency – the efficiency of fighting poverty among the general population and among children compared – OECD countries, based on the regression analytical approach of Tables 1b and 2b

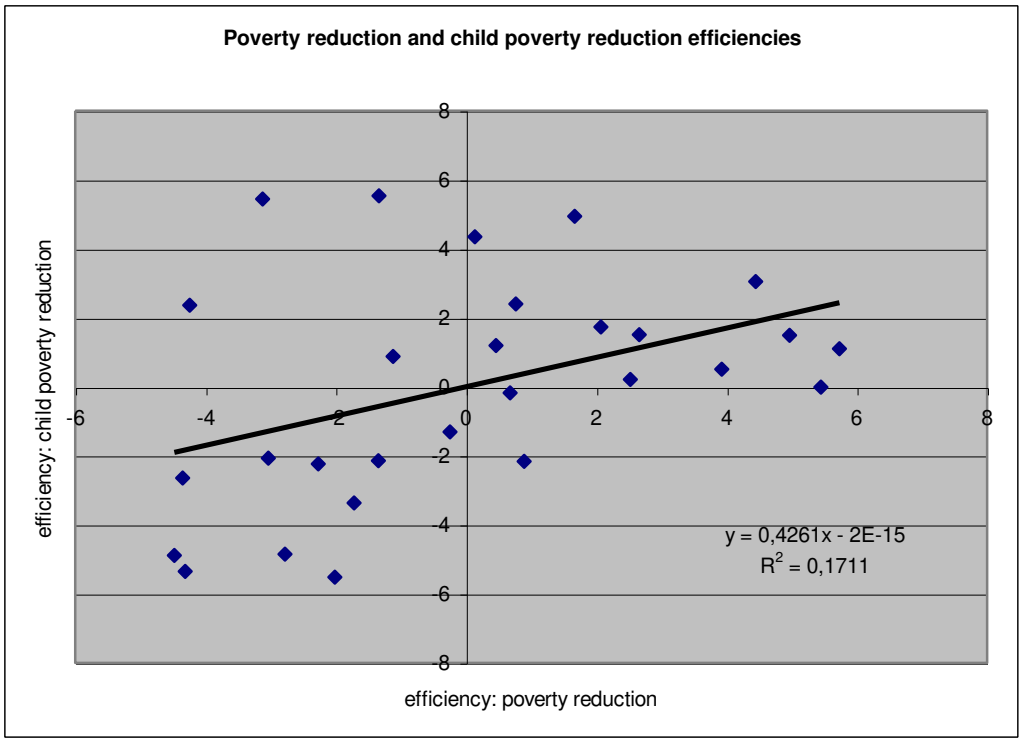
	efficiency of social spending in poverty reduction (Table 1b, Column 10)	efficiency of social spending in child poverty reduction (Table 2b, Column 10)	trend line	residual - where the fight against child poverty is more(less) efficient than the general fight against general poverty
Ireland	-3,13	5,44	-1,33	6,77
Australia	-1,33	5,54	-0,57	6,11
Finland	0,14	4,35	0,06	4,29
United Kingdom	1,67	4,94	0,71	4,23
New Zealand	-4,24	2,36	-1,81	4,16
Denmark	0,77	2,41	0,33	2,08
Belgium	-1,12	0,88	-0,48	1,36
Hungary	4,45	3,05	1,90	1,15
Sweden	0,46	1,19	0,19	0,99
Norway	2,07	1,74	0,88	0,86
Korea	2,65	1,52	1,13	0,39
Austria	0,67	-0,18	0,29	-0,47
Iceland	4,97	1,49	2,12	-0,63
Italy	-3,03	-2,07	-1,29	-0,78
United States	-4,35	-2,63	-1,85	-0,78
Netherlands	2,52	0,22	1,07	-0,86
Luxembourg	3,93	0,52	1,67	-1,16
France	-0,24	-1,31	-0,10	-1,21
Germany	-2,27	-2,24	-0,97	-1,27
Czech Republic	5,73	1,11	2,44	-1,33
Greece	-1,35	-2,15	-0,57	-1,58
Slovak Republic	5,45	-0,01	2,32	-2,33
Switzerland	0,90	-2,16	0,38	-2,55
Mexico	-1,72	-3,36	-0,73	-2,63
Spain	-4,48	-4,88	-1,91	-2,98
Portugal	-4,31	-5,36	-1,84	-3,52
Poland	-2,78	-4,85	-1,19	-3,67
Japan	-2,01	-5,52	-0,86	-4,66

Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Table 2b: Two tales of social policy efficiency – the efficiency of fighting poverty among the general population and among children compared – EU-27, based on Eurostat data

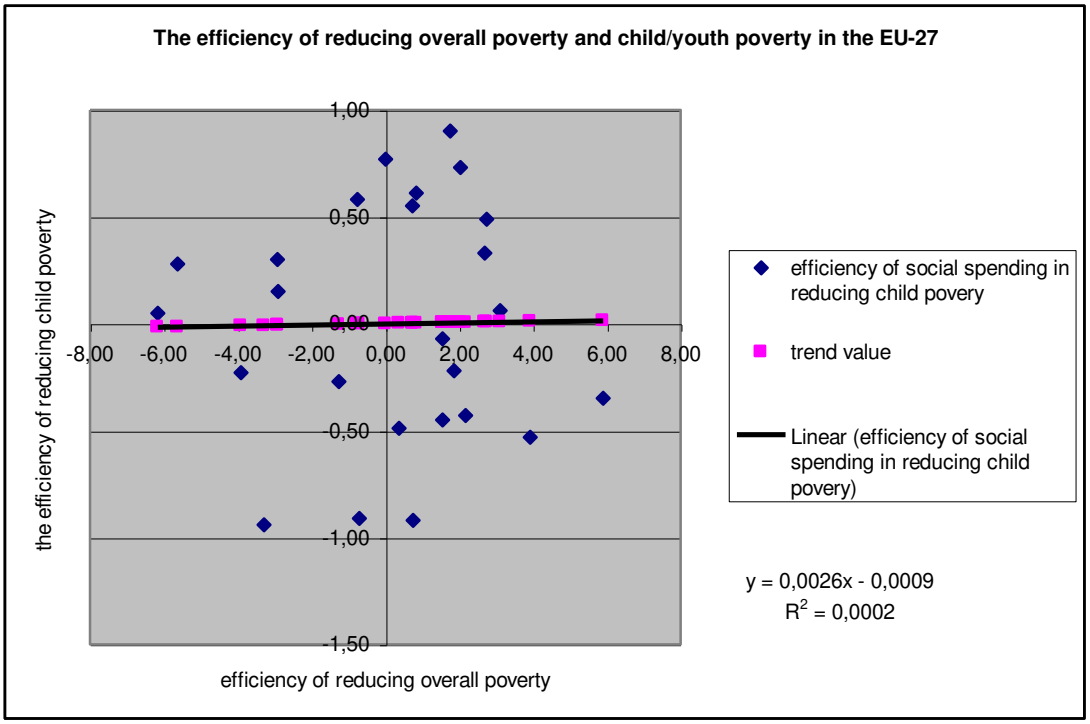
	efficiency of social spending in reducing overall povery	efficiency of social spending in reducing child povery	trend value	social policy is pro-children (i.e. it avoids child poverty better than overall poverty)
Austria	0,73	0,55	0,0010	0,55
Belgium	-0,76	0,58	-0,0028	0,58
Cyprus	0,37	-0,49	0,0001	-0,49
Czech R	5,90	-0,35	0,0143	-0,36
Denmark	2,03	0,73	0,0044	0,73
Estonia	0,76	-0,92	0,0011	-0,92
Finland	2,69	0,33	0,0061	0,32
France	0,00	0,77	-0,0009	0,77
Germany	0,84	0,61	0,0013	0,61
Greece	-6,16	0,05	-0,0167	0,07
Hungary	1,86	-0,22	0,0039	-0,22
Ireland	1,55	-0,45	0,0031	-0,45
Italy	-5,62	0,28	-0,0153	0,30
Latvia	-3,28	-0,94	-0,0093	-0,93
Lithuania	-0,70	-0,91	-0,0027	-0,91
Luxembourg	1,55	-0,07	0,0031	-0,07
Malta	2,18	-0,43	0,0048	-0,43
Netherlands	2,75	0,49	0,0062	0,48
Poland	-1,25	-0,27	-0,0041	-0,27
Portugal	-2,91	0,15	-0,0084	0,16
Slovak R	3,93	-0,53	0,0093	-0,54
Slovenia	3,11	0,06	0,0072	0,05
Spain	-3,91	-0,23	-0,0109	-0,22
Sweden	1,76	0,90	0,0037	0,90
UK	-2,92	0,30	-0,0084	0,31

Graph 3a: Two tales of social policy efficiency – the efficiency of fighting poverty among the general population and among children compared – OECD countries, regression analytical approach

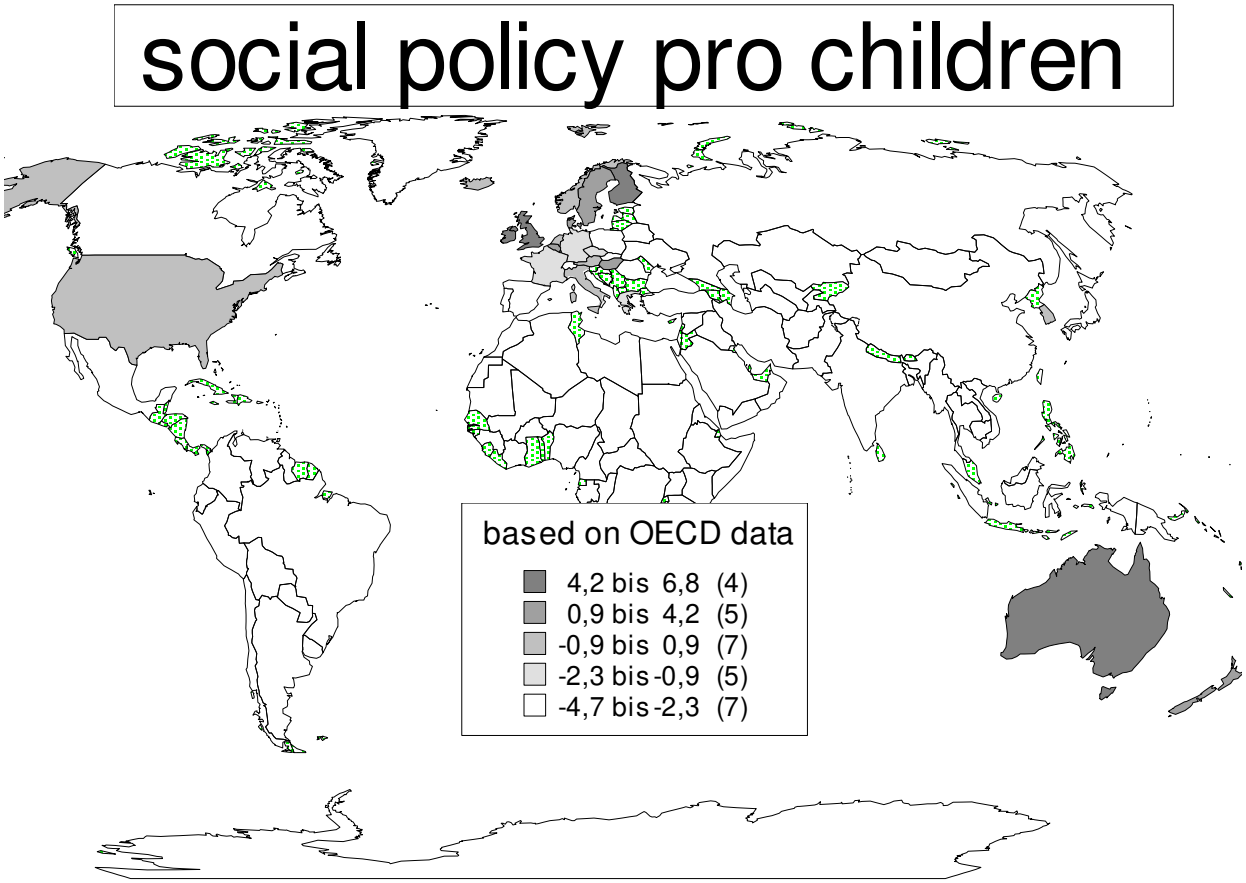


Source: our own calculations from Eurostat and OECD.stats, Microsoft EXCEL and SPSS XIV

Graph 3b: Two tales of social policy efficiency – the efficiency of fighting poverty among the general population and among children compared – EU-27 countries, regression analytical approach, based on Eurostat data

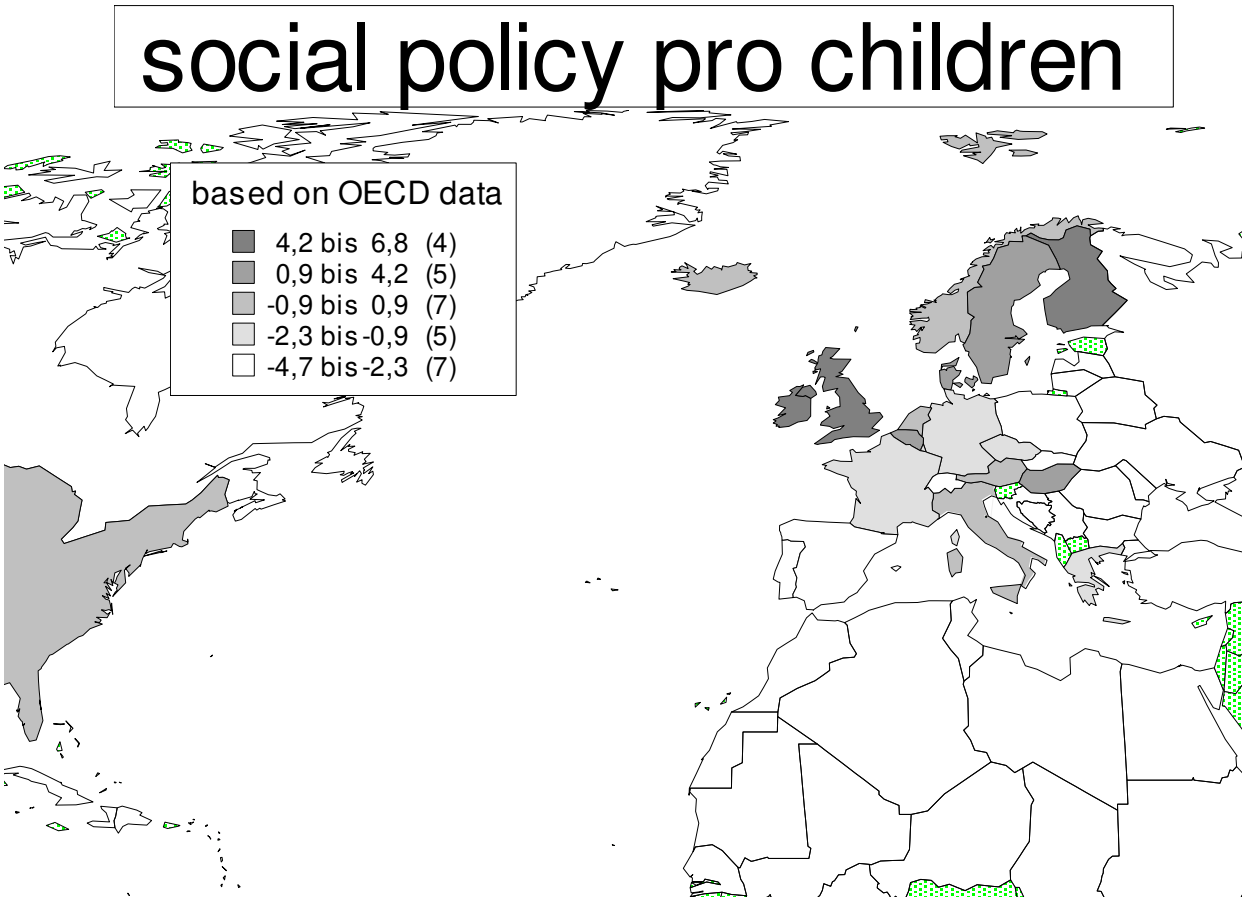


Map 3a: The two tales of social policy efficiency - where social policy is pro children (results from regression analytical approach)



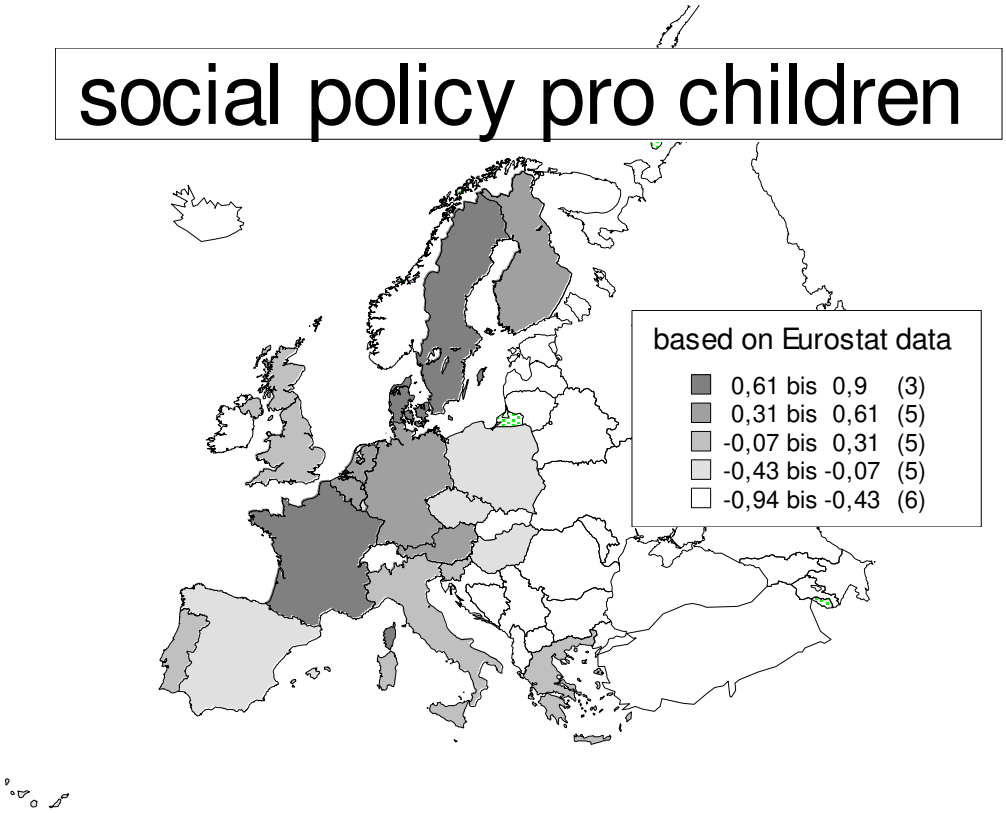
Source: our own calculations, based on the data of this article, SPSS XV, and the original OECD (2008) data, especially Table 3b of this work. Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 3b: The two tales of social policy efficiency - where social policy is pro children in the Atlantic arena (results from OECD data)



Source: our own calculations, based on the data of this article, SPSS XV, and the original OECD (2008) data, especially Table 3b of this work. Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 3c: The two tales of social policy efficiency - where social policy is pro children in the European Union (results from Eurostat data)



Source: our own compilations and calculations, based on Microsoft EXCEL 2000 and 2003, based **on Eurostat** data (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

IV. RE-ANALYZING THE UNICEF (2007) STUDY ON CHILD POVERTY IN RICH COUNTRIES AND IN TRANSITION COUNTRIES

Table 4a: Re-analyzing the UNICEF 2007 study

Variable Definition

1	Percentage of children (0-17) in households with equivalent income less than 50 per cent of the median: most recent data.
2	Percentage of children reporting low family affluence, aged 11, 13 and 15: 2001.
3	Percentage of children aged 15 reporting less than six educational possessions: 2003.
4	Percentage of children aged 15 reporting less than ten books in the home: 2003.
5	Percentage of working-age households with children without an employed parent OECD: most recent data.
6	Infant mortality rate (per 1000 live births): most recent data.
7	Low birth rate (% births less than 2500g): most recent data
8	Measles: % children immunized aged 12-23 months: 2003
9	DPT3: % children immunized aged 12-23 months: 2002.
10	Polio 3: % children immunized aged 12-23 months: 2002
11	Deaths from accidents and injuries per 100,000 under 19 years, average of latest three years available.
12	Reading literacy achievement aged 15: 2003
13	Mathematics literacy achievement aged 15: 2003
14	Science literacy achievement aged 15: 2003
15	Full-time and part-time students in public and private educational institutions aged 15-19 as a percentage of the population of 15-19 year-olds: 2003
16	Percentage of 15-19 year-olds not in education or employment: 2003
17	Percentage of pupils aged 15 years aspiring to low skilled work: 2003
18	Percentage of young people living in single-parent family structures, aged 11, 13 and 15: 2001
19	Percentage of young people living in step family structure, aged 11, 13 and 15: 2001
20	Percentage of students whose parents eat their main meal with them around a table several times a week, aged 15: 2000
21	Percentage of students whose parents spend time just talking to them several times per week, aged 15: 2000
22	Percentage of young people finding their peers 'kind and helpful', aged 11, 13 and 15: 2001
23	Percentage smoking cigarettes at least once per week, aged 11, 13, 15: 2001
24	Percentage of young people who have been drunk two or more times, aged 11, 13, 15: 2001
25	Percentage of young people who have used cannabis in the last 12 months, aged 15: 2001
26	Adolescent fertility rate, births per 1000 women aged 15-19: 2003.
27	Percentage of young people who have had sexual intercourse, aged 15: 2001
28	Percentage of young people who used a condom during their last sexual intercourse, aged 15: 2001
29	Percentage of young people involved in physical fighting in previous 12 months, aged 11, 13, 15: 2001
30	Percentage of young people who were bullied at least once in the last 2 months, aged 11, 13, 15: 2001
31	Percentage of young people who eat fruit every day, aged 11, 13, 15 years: 2001
32	Percentage of young people who eat breakfast every school day, aged 11, 13, 15 years: 2001
33	Mean number of days when young people are physically active for one hour or more of the previous /typical week, aged 11, 13, 15: 2001
34	Percentage of young people who are overweight according to BMI, aged 13 and 15: 2001
35	Percentage of young people rating their health as 'fair or poor', aged 11, 13 and 15: 2001
36	Percentage of young people with scores above the middle of the life satisfaction scale, aged 11, 13 and 15: 2001
37	Percentage of students who agree with the statement 'I feel like an outsider or left out of things', aged 15: 2003
38	Percentage of students who agree with the statement 'I feel awkward and out of place', aged 15: 2003
39	Percentage of students who agree with the statement 'I feel lonely', aged 15: 2003
40	Percentage of young people 'liking school a lot', aged 11, 13, 15: 2001

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Communalities in Factor Analysis

	Kommunalitäten		
		Anfänglich	Extraktion
Percentage of children (0-17) in households with equivalent income less than 50 per cent of the median: most recent data.	VAR00001	1	0,644
Percentage of children reporting low family affluence, aged 11, 13 and 15: 2001.	VAR00002	1	0,863
Percentage of children aged 15 reporting less than six educational possessions: 2003.	VAR00003	1	0,495

Percentage of children aged 15 reporting less than ten books in the home: 2003.	VAR00004	1	0,194
Percentage of working-age households with children without an employed parent OECD: most recent data.	VAR00005	1	0,222
Infant mortality rate (per 1000 live births): most recent data.	VAR00006	1	0,763
Low birth rate (% births less than 2500g): most recent data	VAR00007	1	0,498
Measles: % children immunized aged 12-23 months: 2003	VAR00008	1	0,326
DPT3: % children immunized aged 12-23 months: 2002.	VAR00009	1	0,571
Polio 3: % children immunized aged 12-23 months: 2002	VAR00010	1	0,754
Deaths from accidents and injuries per 100,000 under 19 years, average of latest three years available.	VAR00011	1	0,705
Reading literacy achievement aged 15: 2003	VAR00012	1	0,732
Mathematics literacy achievement aged 15: 2003	VAR00013	1	0,813
Science literacy achievement aged 15: 2003	VAR00014	1	0,783
Full-time and part-time students in public and private educational institutions aged 15-19 as a percentage of the population of 15-19 year-olds: 2003	VAR00015	1	0,625
Percentage of 15-19 year-olds not in education or employment: 2003	VAR00016	1	0,483
Percentage of pupils aged 15 years aspiring to low skilled work: 2003	VAR00017	1	0,159
Percentage of young people living in single-parent family structures, aged 11, 13 and 15: 2001	VAR00018	1	0,654
Percentage of young people living in step family structure, aged 11, 13 and 15: 2001	VAR00019	1	0,581
Percentage of students whose parents eat their main meal with them around a table several times a week, aged 15: 2000	VAR00020	1	0,684
Percentage of students whose parents spend time just talking to them several times per week, aged 15: 2000	VAR00021	1	0,345
Percentage of young people finding their peers 'kind and helpful', aged 11, 13 and 15: 2001	VAR00022	1	0,523
Percentage smoking cigarettes at least once per week, aged 11, 13, 15: 2001	VAR00023	1	0,166
Percentage of young people who have been drunk two or more times, aged 11, 13, 15: 2001	VAR00024	1	0,676
Percentage of young people who have used cannabis in the last 12 months, aged 15: 2001	VAR00025	1	0,318
Adolescent fertility rate, births per 1000 women aged 15-19: 2003.	VAR00026	1	0,882
Percentage of young people who have had sexual intercourse, aged 15: 2001	VAR00027	1	0,497
Percentage of young people who used a condom during their last sexual intercourse, aged 15: 2001	VAR00028	1	0,514
Percentage of young people involved in physical fighting in previous 12 months, aged 11, 13, 15: 2001	VAR00029	1	0,491
Percentage of young people who were bullied at least once in the last 2 months, aged 11, 13, 15: 2001	VAR00030	1	0,81
Percentage of young people who eat fruit every day, aged 11, 13, 15 years: 2001	VAR00031	1	0,567
Percentage of young people who eat breakfast every school day, aged 11, 13, 15 years: 2001	VAR00032	1	0,6
Mean number of days when young people are physically active for one hour or more of the previous /typical week, aged 11, 13, 15: 2001	VAR00033	1	0,415
Percentage of young people who are overweight according to BMI, aged 13 and 15: 2001	VAR00034	1	0,583
Percentage of young people rating their health as 'fair or poor', aged 11, 13 and 15: 2001	VAR00035	1	0,684
Percentage of young people with scores above the middle of the life satisfaction scale, aged 11, 13 and 15: 2001	VAR00036	1	0,732
Percentage of students who agree with the statement 'I feel like an outsider or left out of things', aged 15: 2003	VAR00037	1	0,45
Percentage of students who agree with the statement 'I feel awkward and out of place', aged 15: 2003	VAR00038	1	0,726
Percentage of students who agree with the statement 'I feel lonely', aged 15: 2003	VAR00039	1	0,548
Percentage of young people 'liking school a lot', aged 11, 13, 15: 2001	VAR00040	1	0,308
	Extraktionsmethode: Hauptkomponentenanalyse.		

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

The five extracted factors and their contribution to total variance

Erklärte Gesamtvarianz			
Komponente	Anfängliche Eigenwerte		
	Gesamt	% der Varianz	Kumulierte %
1	6,627	16,569	16,569
2	5,79	14,475	31,044
3	3,947	9,867	40,911
4	3,231	8,079	48,99
5	2,787	6,968	**55,958**

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Matrix of components

	Komponentenmatrix(a)					
		Education and social empowerment	Lifestyle, social cohesion and social-economic status	European youth policy model	subjective well-being and peer relationships	climate of non-violence
	REVERSED FOR THE INTERPRETATION OF THE FACTOR SCORES	NO	YES	YES	YES	YES
Percentage of children (0-17) in households with equivalent income less than 50 per cent of the median: most recent data.	VAR00001	-0,502	-0,015	0,525	0,328	0,085
Percentage of children reporting low family affluence, aged 11, 13 and 15: 2001.	VAR00002	-0,586	0,607	-0,222	0,312	-0,065
Percentage of children aged 15 reporting less than six educational possessions: 2003.	VAR00003	-0,375	0,211	-0,152	0,531	0,067
Percentage of children aged 15 reporting less than ten books in the home: 2003.	VAR00004	0,134	-0,12	0,003	-0,116	0,385
Percentage of working-age households with children without an employed parent OECD: most recent data.	VAR00005	-0,052	0,294	-0,047	0,068	-0,355
Infant mortality rate (per 1000 live births): most recent data.	VAR00006	-0,495	0,706	0,141	-0,002	0,018
Low birth rate (% births less than 2500g): most recent data	VAR00007	-0,377	-0,425	0,222	0,352	0,042
Measles: % children immunized aged 12-23 months: 2003	VAR00008	-0,186	0,405	-0,28	0,061	-0,212
DPT3: % children immunized aged 12-23 months: 2002.	VAR00009	-0,064	0,336	-0,572	-0,008	-0,356
Polio 3: % children immunized aged 12-23 months: 2002	VAR00010	-0,005	0,376	-0,659	-0,236	-0,349
Deaths from accidents and injuries per 100,000 under 19 years, average of latest three years available.	VAR00011	-0,62	0,358	0,006	-0,42	0,127
Reading literacy achievement aged 15: 2003	VAR00012	0,757	0,216	0,299	0,003	-0,15
Mathematics literacy achievement aged 15: 2003	VAR00013	0,854	0,171	0,091	0,213	0,012
Science literacy achievement aged 15: 2003	VAR00014	0,707	0,191	0,169	0,447	-0,136
Full-time and part-time students in public and private educational institutions aged 15-19 as a percentage of the population of 15-19 year-olds: 2003	VAR00015	0,575	0,154	-0,441	0,25	-0,117
Percentage of 15-19 year-olds not in education or employment: 2003	VAR00016	-0,552	-0,29	0,068	-0,3	0,002
Percentage of pupils aged 15 years aspiring to low skilled work: 2003	VAR00017	0,229	-0,127	-0,124	0,196	0,19
Percentage of young people living in single-parent family structures, aged 11, 13 and 15: 2001	VAR00018	0,285	0,59	0,356	-0,31	0,035
Percentage of young people living in step family structure, aged 11, 13 and 15: 2001	VAR00019	0,504	0,355	0,358	-0,264	-0,058
Percentage of students whose parents eat their main meal with them around a table several times a week, aged 15: 2000	VAR00020	0,281	-0,034	-0,654	0,225	0,355
Percentage of students whose parents spend time just talking to them several times per week, aged 15: 2000	VAR00021	0,017	0,202	-0,231	0,247	-0,435
Percentage of young people finding their peers 'kind and helpful', aged 11, 13 and 15: 2001	VAR00022	0,334	-0,233	-0,14	-0,447	0,371
Percentage smoking cigarettes at least once per week, aged 11, 13, 15: 2001	VAR00023	0,155	0,296	-0,147	0,121	0,135
Percentage of young people who have been drunk two or more times, aged 11, 13, 15: 2001	VAR00024	0,413	0,592	0,327	-0,22	0,014
Percentage of young people who have used cannabis in the last 12 months, aged 15: 2001	VAR00025	0,304	-0,224	0,307	0,282	-0,04

Adolescent fertility rate, births per 1000 women aged 15-19: 2003.	VAR00026	-0,491	0,55	0,571	-0,078	-0,071
Percentage of young people who have had sexual intercourse, aged 15: 2001	VAR00027	0,487	-0,215	0,407	-0,213	-0,053
Percentage of young people who used a condom during their last sexual intercourse, aged 15: 2001	VAR00028	-0,575	-0,32	-0,082	0,225	0,154
Percentage of young people involved in physical fighting in previous 12 months, aged 11, 13, 15: 2001	VAR00029	-0,444	0,379	0,008	0,357	-0,149
Percentage of young people who were bullied at least once in the last 2 months, aged 11, 13, 15: 2001	VAR00030	-0,245	0,471	0,138	-0,179	0,691
Percentage of young people who eat fruit every day, aged 11, 13, 15 years: 2001	VAR00031	-0,449	-0,568	-0,114	0,173	-0,02
Percentage of young people who eat breakfast every school day, aged 11, 13, 15 years: 2001	VAR00032	0,376	0,378	-0,438	-0,134	0,325
Mean number of days when young people are physically active for one hour or more of the previous /typical week, aged 11, 13, 15: 2001	VAR00033	0,048	0,139	0,581	0,119	-0,202
Percentage of young people who are overweight according to BMI, aged 13 and 15: 2001	VAR00034	-0,126	-0,429	0,488	0,249	-0,288
Percentage of young people rating their health as ‘fair or poor’, aged 11, 13 and 15: 2001	VAR00035	-0,128	0,731	0,183	0,056	0,31
Percentage of young people with scores above the middle of the life satisfaction scale, aged 11, 13 and 15: 2001	VAR00036	0,275	-0,774	-0,013	-0,146	-0,192
Percentage of students who agree with the statement ‘I feel like an outsider or left out of things’, aged 15: 2003	VAR00037	0,249	0,27	0,169	0,503	-0,183
Percentage of students who agree with the statement ‘I feel awkward and out of place’, aged 15: 2003	VAR00038	0,341	0,055	-0,019	0,514	0,585
Percentage of students who agree with the statement ‘I feel lonely’, aged 15: 2003	VAR00039	0,161	0,084	0,039	0,617	0,365
Percentage of young people ‘liking school a lot’, aged 11, 13, 15: 2001	VAR00040	-0,183	-0,235	0,069	0,041	0,462
	Extraktionsmethode: Hauptkomponentenanalyse.					
	a	5 Komponenten extrahiert				

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Factor Scores

REVERSED FOR THE INTERPRETATION OF THE FACTOR SCORES	NO	YES	YES	YES	YES
	Education and social empowerment	Lifestyle, social cohesion and social-economic status	European youth policy model	subjective well-being and peer relationships	climate of non-violence
Australia	0,40151	-0,17469	-0,46168	-0,10112	0,56707
Austria	-0,34777	0,89921	-1,34543	0,4382	-1,59502
Belgium	1,11913	0,29439	0,69332	-0,23682	-0,63931
Canada	0,74069	0,19832	-1,71197	-0,28513	0,27178
Czech Republic	0,08585	-0,61029	0,40038	-1,2102	2,22995
Denmark	0,71935	-0,19982	0,90055	0,87036	0,10609
Estonia	-0,31151	-2,135	0,40853	0,6546	-0,17396
Finland	1,95814	-0,2811	0,05	1,30542	1,65914
France	0,35744	0,41532	1,19766	-0,48245	-0,32662
Germany	0,86212	0,40179	0,16755	0,64693	-1,5997
Greece	-1,58257	1,50883	-0,14375	-0,73553	0,24389
Hungary	-0,81237	-0,81166	0,46407	-1,12318	1,60221
Iceland	0,61178	0,02852	0,22231	-0,27003	-0,32488
Ireland	0,20972	0,51668	-0,7663	-0,11426	0,04669
Italy	-0,65634	0,95316	1,01614	-0,14626	0,75356
Japan	0,702	0,38936	-0,08127	-2,85362	-1,99889
Latvia	-1,25303	-2,43398	0,58793	0,19389	-1,02081
Lithuania	-0,78398	-2,683	-0,00067	0,23813	-1,17874
Malta	-0,84054	0,54145	0,16282	-1,72044	0,98368
Netherlands	0,97179	0,36482	1,06828	0,51862	0,1709
New Zealand	-0,07266	-0,03606	-1,60317	-0,02232	-0,19172
Norway	0,80922	0,22957	0,31728	0,90768	-0,87848
Poland	-0,57602	-0,81235	1,04927	-0,84192	0,53478
Portugal	-0,90981	0,12201	0,60434	0,35113	-1,30465
Slovenia	0,0275	0,70361	-0,1962	-0,19823	0,33245
Spain	-0,74507	0,99454	0,90605	-0,3335	0,27022
Sweden	1,38992	0,06739	0,70454	1,61793	0,98268
Switzerland	0,84945	1,01014	0,36258	-0,00285	-0,90596
United Kingdom	0,66743	-0,61013	-2,49081	0,17777	0,55634
United States	-0,71767	-0,3112	-2,58789	0,14964	0,60706
correlation with social expenditures per GDP, 2000	0,4842659	0,4669044	0,2539165	0,4120252	-0,069901

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Correlation of the factor scores with social expenditures

	correlation with social expenditures per GDP, 2000
Education and social empowerment	0,4842659
Lifestyle, social cohesion and social-economic status	0,4669044
European youth policy model	0,2539165
subjective well-being and peer relationships	0,4120252
climate of non-violence	-0,069901

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

UNICEF factor scores: trend values, expected from the size of social expenditures

	REVERSED FOR THE INTERPRETATION OF THE FACTOR SCORES	NO	YES	YES	YES	YES
		Trend values, expected from the size of social expenditures	Trend values, expected from the size of social expenditures	Trend values, expected from the size of social expenditures	Trend values, expected from the size of social expenditures	Trend values, expected from the size of social expenditures
	2000	Education and social empowerment	Lifestyle, social cohesion and social-economic status	European youth policy model	subjective well-being and peer relationships	climate of non-violence
Australia	17,9	-0,227358	-0,403209	-0,203782	-0,37135	0,0477539
Austria	28,1	0,5952976	0,4993553	0,3060419	0,3527427	-0,092506
Belgium	26,5	0,4662537	0,3577766	0,2260695	0,2391596	-0,070505
Canada	16,5	-0,340271	-0,52709	-0,273758	-0,470735	0,0670053
Czech Republic	19,5	-0,098314	-0,26163	-0,12381	-0,257767	0,0257524
Denmark	28,9	0,6598196	0,5701447	0,3460281	0,4095343	-0,103507
Estonia	14	-0,541902	-0,748307	-0,398715	-0,648209	0,1013828
Finland	25,1	0,3533402	0,2338952	0,1560936	0,1397743	-0,051253
France	29,5	0,7082111	0,6232367	0,3760177	0,4521279	-0,111757
Germany	29,3	0,6920806	0,6055393	0,3660212	0,43793	-0,109007
Greece	23,5	0,2242963	0,0923165	0,0761212	0,0261912	-0,029252
Hungary	19,3	-0,114444	-0,279328	-0,133806	-0,271965	0,0285026
Iceland	19,2	-0,122509	-0,288176	-0,138805	-0,279063	0,0298777
Ireland	14,1	-0,533837	-0,739459	-0,393717	-0,64111	0,1000077
Italy	24,7	0,3210792	0,1985005	0,1361005	0,1113785	-0,045753
Japan	17,7	-0,243488	-0,420906	-0,213779	-0,385548	0,0505041
Latvia	15,3	-0,437054	-0,633274	-0,333737	-0,555922	0,0835065
Lithuania	15,8	-0,396728	-0,589031	-0,308746	-0,520428	0,076631
Malta	16,5	-0,340271	-0,52709	-0,273758	-0,470735	0,0670053
Netherlands	26,4	0,4581884	0,3489279	0,2210712	0,2320606	-0,069129
New Zealand	18	-0,219292	-0,39436	-0,198784	-0,364251	0,0463788
Norway	24,4	0,2968835	0,1719545	0,1211057	0,0900817	-0,041627
Poland	19,7	-0,082183	-0,243933	-0,113813	-0,243569	0,0230022
Portugal	21,7	0,0791218	-0,06696	-0,013848	-0,10159	-0,0045
Slovenia	24,6	0,313014	0,1896518	0,1311022	0,1042796	-0,044378
Spain	20,3	-0,033792	-0,190841	-0,083824	-0,200975	0,0147516
Sweden	30,7	0,804994	0,7294207	0,435997	0,5373153	-0,128259
Switzerland	26,9	0,4985146	0,3931713	0,2460626	0,2675553	-0,076005

United Kingdom	26,9	0,4985146	0,3931713	0,2460626	0,2675553	-0,076005
United States	16,2	-0,364467	-0,553636	-0,288753	-0,492032	0,0711306

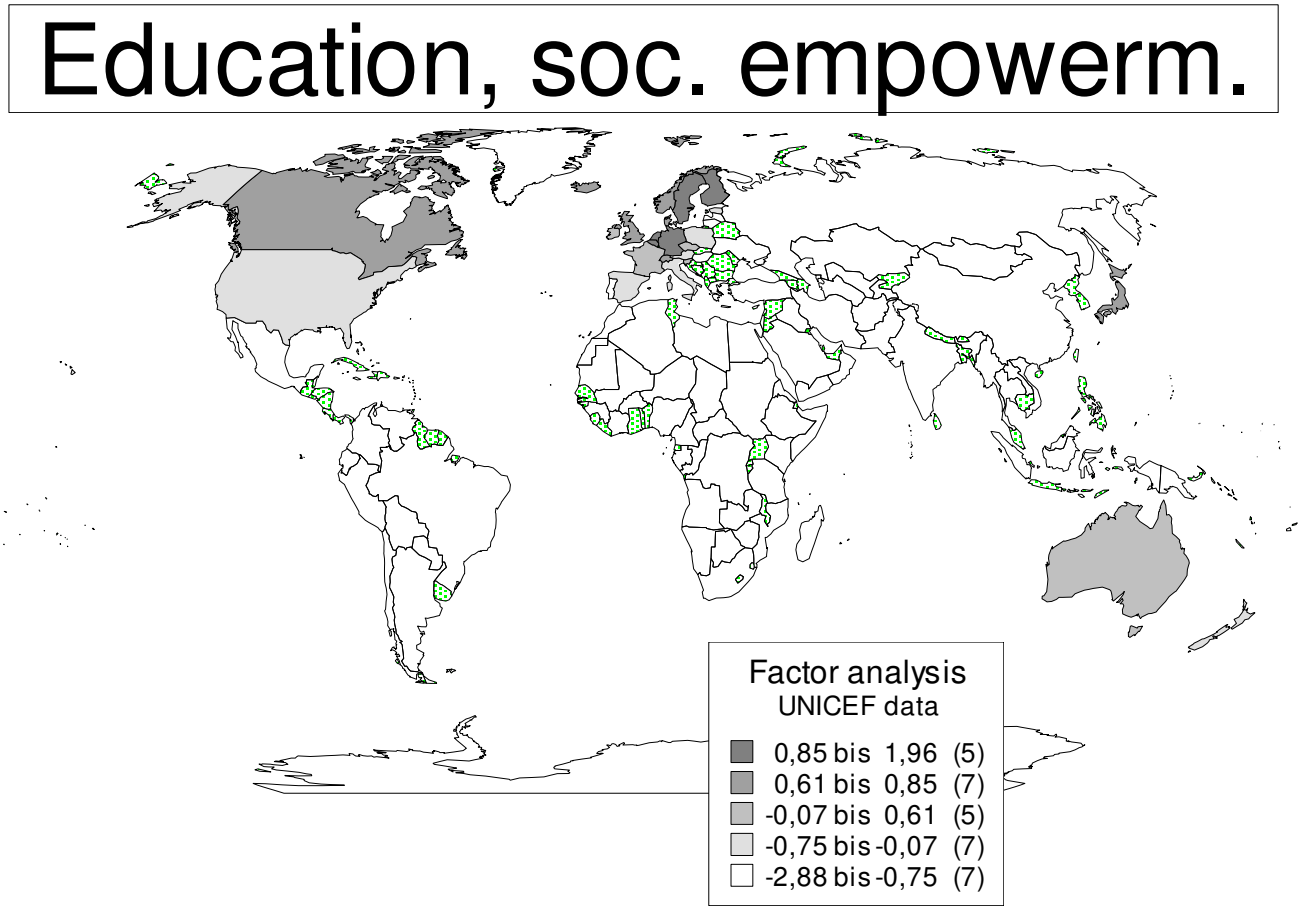
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Efficiency parameters of child and youth social policy, based on factor scores from the UNICEF data, trend values, predicted by the size of social expenditures, and residual values from this trade-off

	REVERSED FOR THE INTERPRETATION OF THE FACTOR SCORES	NO	YES	YES	YES	YES
		residual values	residual values	residual values	residual values	residual values
	2000	Education and social empowerment	Lifestyle, social cohesion and social-economic status	European youth policy model	subjective well-being and peer relationships	climate of non-violence
Australia	17,9	0,63	0,23	-0,26	0,27	0,52
Austria	28,1	-0,94	0,40	-1,65	0,09	-1,50
Belgium	26,5	0,65	-0,06	0,47	-0,48	-0,57
Canada	16,5	1,08	0,73	-1,44	0,19	0,20
Czech Republic	19,5	0,18	-0,35	0,52	-0,95	2,20
Denmark	28,9	0,06	-0,77	0,55	0,46	0,21
Estonia	14	0,23	-1,39	0,81	1,30	-0,28
Finland	25,1	1,60	-0,51	-0,11	1,17	1,71
France	29,5	-0,35	-0,21	0,82	-0,93	-0,21
Germany	29,3	0,17	-0,20	-0,20	0,21	-1,49
Greece	23,5	-1,81	1,42	-0,22	-0,76	0,27
Hungary	19,3	-0,70	-0,53	0,60	-0,85	1,57
Iceland	19,2	0,73	0,32	0,36	0,01	-0,35
Ireland	14,1	0,74	1,26	-0,37	0,53	-0,05
Italy	24,7	-0,98	0,75	0,88	-0,26	0,80
Japan	17,7	0,95	0,81	0,13	-2,47	-2,05
Latvia	15,3	-0,82	-1,80	0,92	0,75	-1,10
Lithuania	15,8	-0,39	-2,09	0,31	0,76	-1,26
Malta	16,5	-0,50	1,07	0,44	-1,25	0,92
Netherlands	26,4	0,51	0,02	0,85	0,29	0,24
New Zealand	18	0,15	0,36	-1,40	0,34	-0,24
Norway	24,4	0,51	0,06	0,20	0,82	-0,84
Poland	19,7	-0,49	-0,57	1,16	-0,60	0,51
Portugal	21,7	-0,99	0,19	0,62	0,45	-1,30
Slovenia	24,6	-0,29	0,51	-0,33	-0,30	0,38
Spain	20,3	-0,71	1,19	0,99	-0,13	0,26
Sweden	30,7	0,58	-0,66	0,27	1,08	1,11
Switzerland	26,9	0,35	0,62	0,12	-0,27	-0,83
United Kingdom	26,9	0,17	-1,00	-2,74	-0,09	0,63
United States	16,2	-0,35	0,24	-2,30	0,64	0,54

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Map 4.1 „education, social empowerment“ – the quality of education and social empowerment



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. “Bis” is shorthand for “ranging from … to”

Main factor analytical definition criteria (matrix of components)

	REVERSED FOR THE INTERPRETATION OF THE FACTOR SCORES	NO
	Komponentenmatrix(a)	
		Education and social empowerment
Mathematics literacy achievement aged 15: 2003	VAR00013	0,854

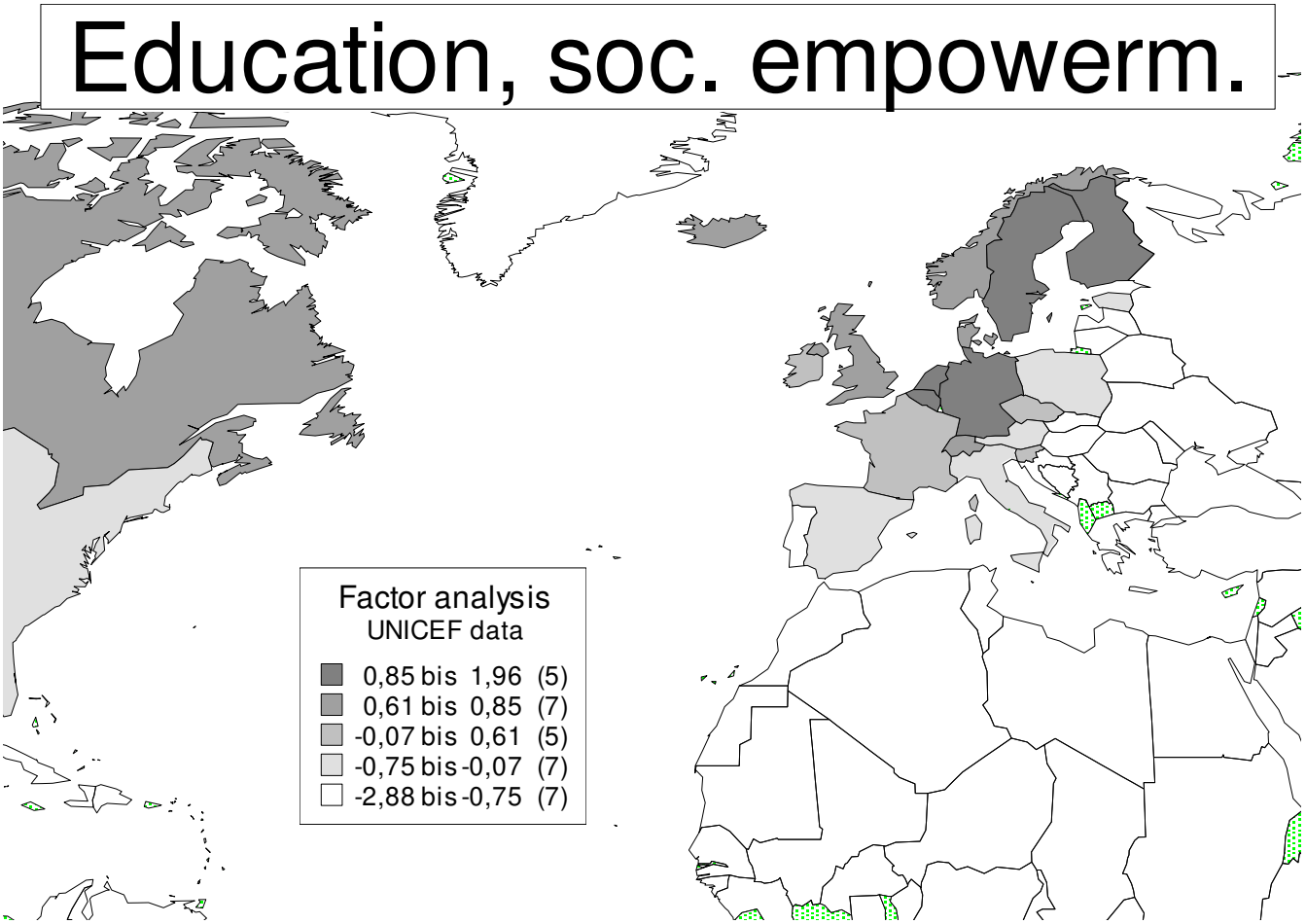
Reading literacy achievement aged 15: 2003	VAR00012	0,757
Science literacy achievement aged 15: 2003	VAR00014	0,707
Full-time and part-time students in public and private educational institutions aged 15-19 as a percentage of the population of 15-19 year-olds: 2003	VAR00015	0,575
Percentage of young people living in step family structure, aged 11, 13 and 15: 2001	VAR00019	0,504
Percentage of children (0-17) in households with equivalent income less than 50 per cent of the median: most recent data.	VAR00001	-0,502
Percentage of 15-19 year-olds not in education or employment: 2003	VAR00016	-0,552
Percentage of young people who used a condom during their last sexual intercourse, aged 15: 2001	VAR00028	-0,575
Percentage of children reporting low family affluence, aged 11, 13 and 15: 2001.	VAR00002	-0,586
Deaths from accidents and injuries per 100,000 under 19 years, average of latest three years available.	VAR00011	-0,62

Eigenvalues, percentage of total variance explained

6,627 16,569

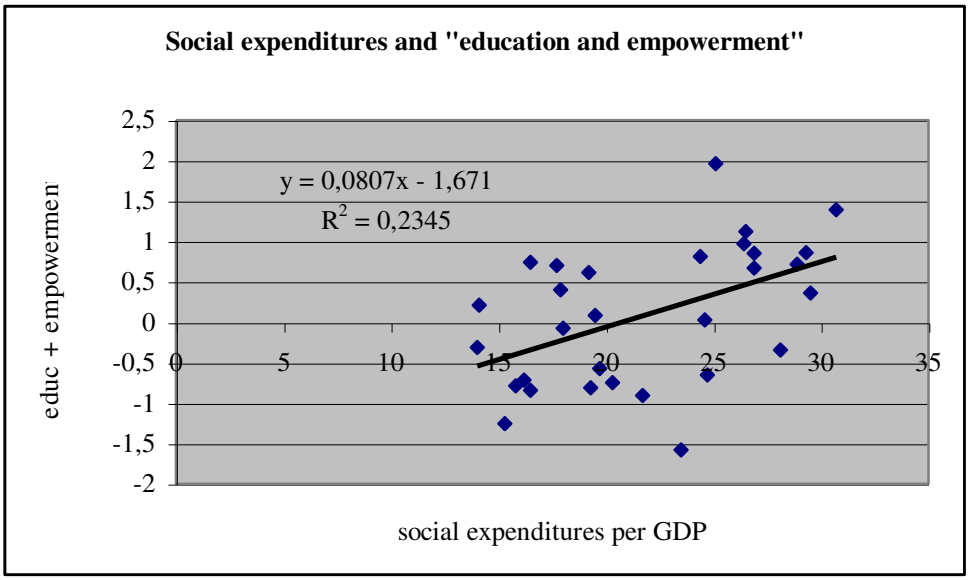
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. “Bis” is shorthand for “ranging from … to”

Map 4.1 „education, social empowerment“ – the quality of education and social empowerment in „the Atlantic arena



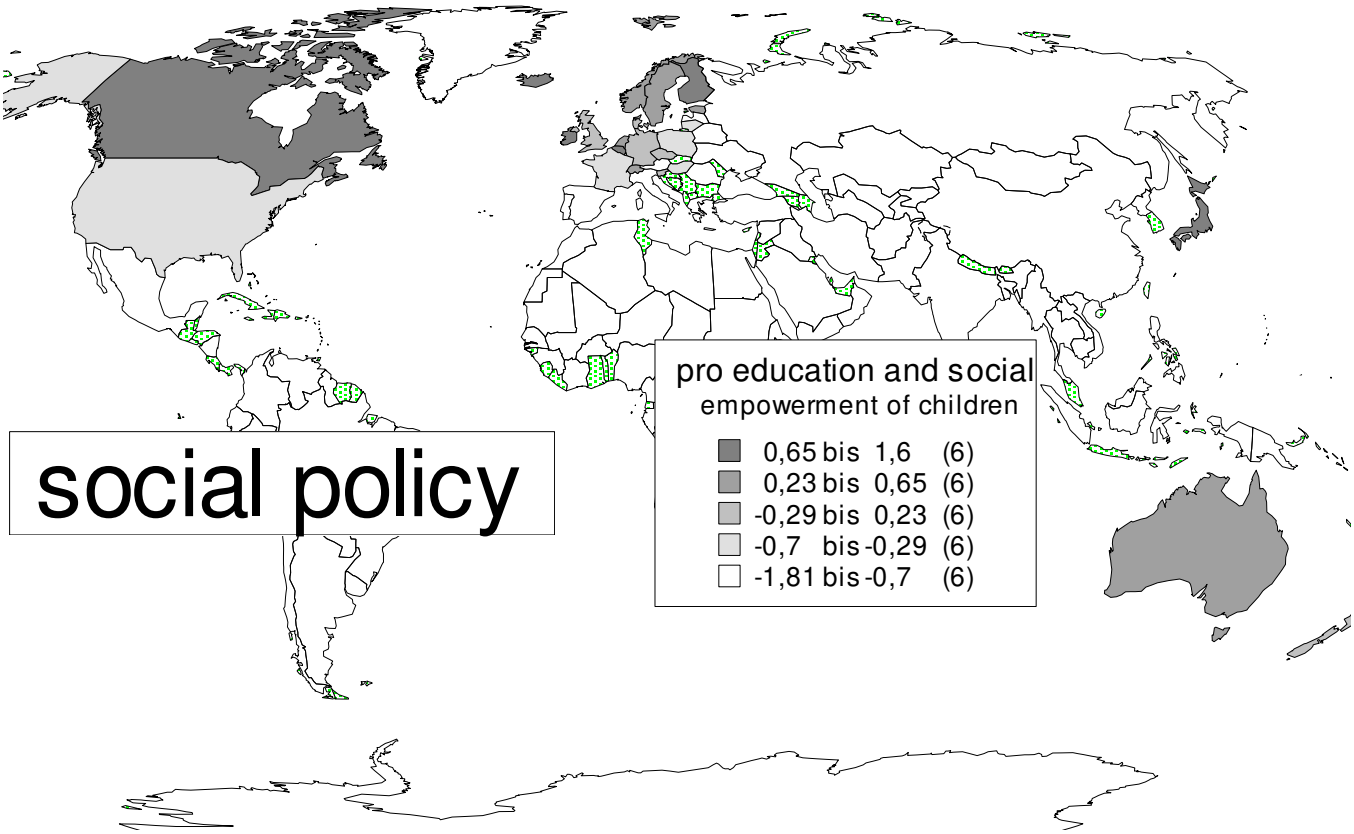
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. “Bis” is shorthand for “ranging from … to”

Graph 4.1 Social expenditures and the factor and the residuals from the trade-off with social expenditures – education and empowerment



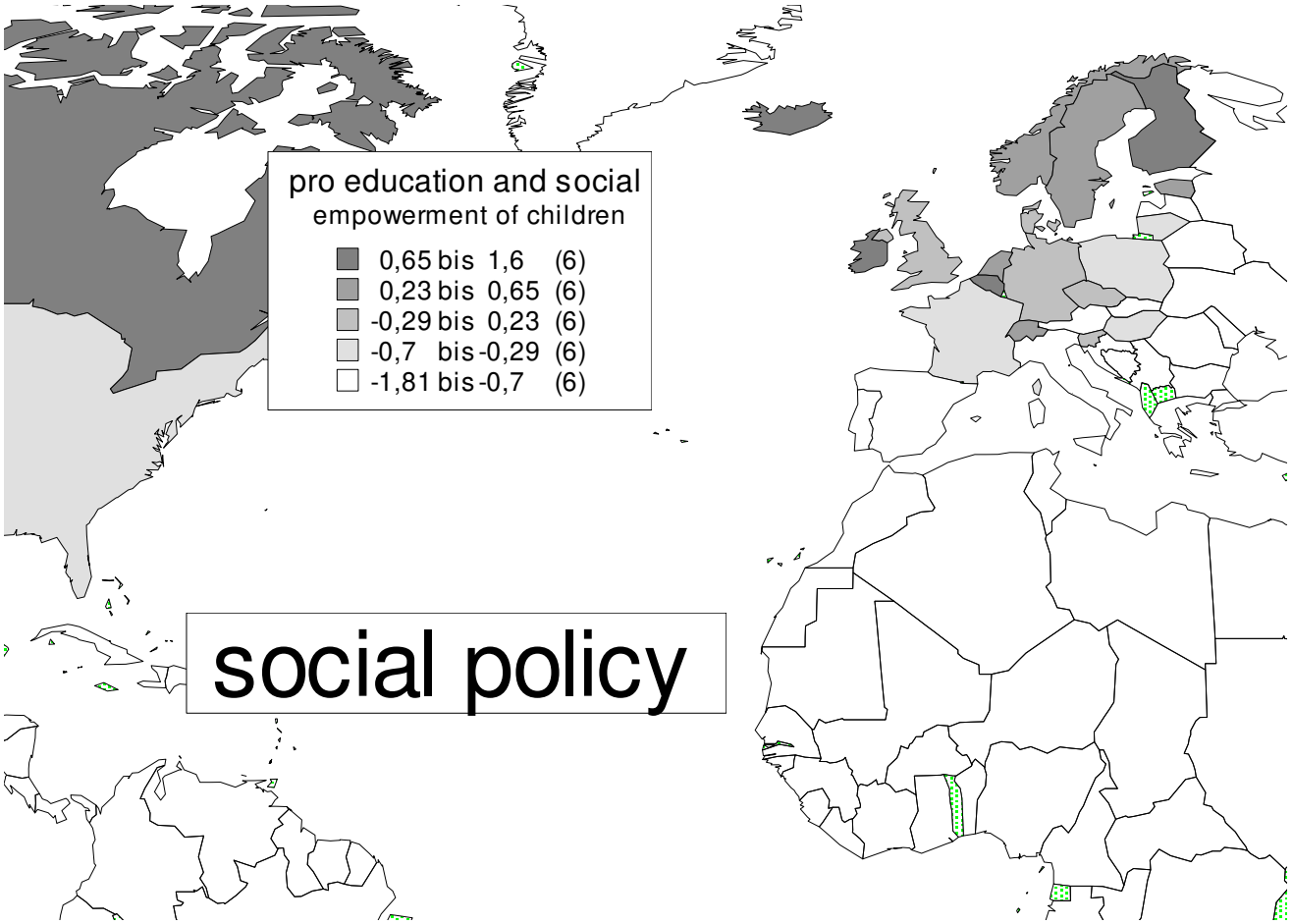
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Map 4.1 the efficiency of social expenditures in bringing about "education and social empowerment"



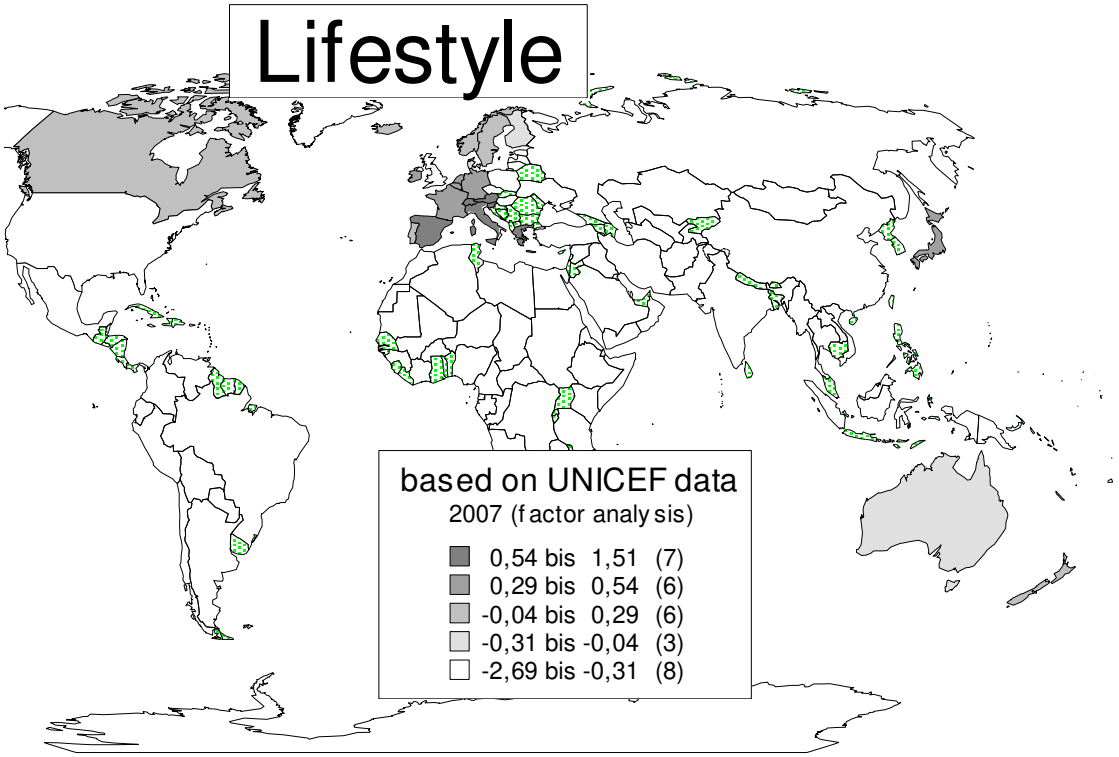
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 4.1 the efficiency of social expenditures in bringing about "education and social empowerment"



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 4.2: The factor "Lifestyle"



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Main factor analytical definition criteria (matrix of components)

	REVERSED FOR THE INTERPRETATION OF THE FACTOR SCORES	YES
	Komponentenmatrix(a)	
		Lifestyle, social cohesion and social-economic status
Percentage of young people rating their health as 'fair or poor', aged 11, 13 and 15: 2001	VAR00035	0,731
Infant mortality rate (per 1000 live births): most recent data.	VAR00006	0,706
Percentage of children reporting low family affluence, aged 11, 13 and 15: 2001.	VAR00002	0,607
Percentage of young people who have been drunk two or more times, aged 11, 13, 15: 2001	VAR00024	0,592
Percentage of young people living in single-parent family structures, aged 11, 13 and 15: 2001	VAR00018	0,59

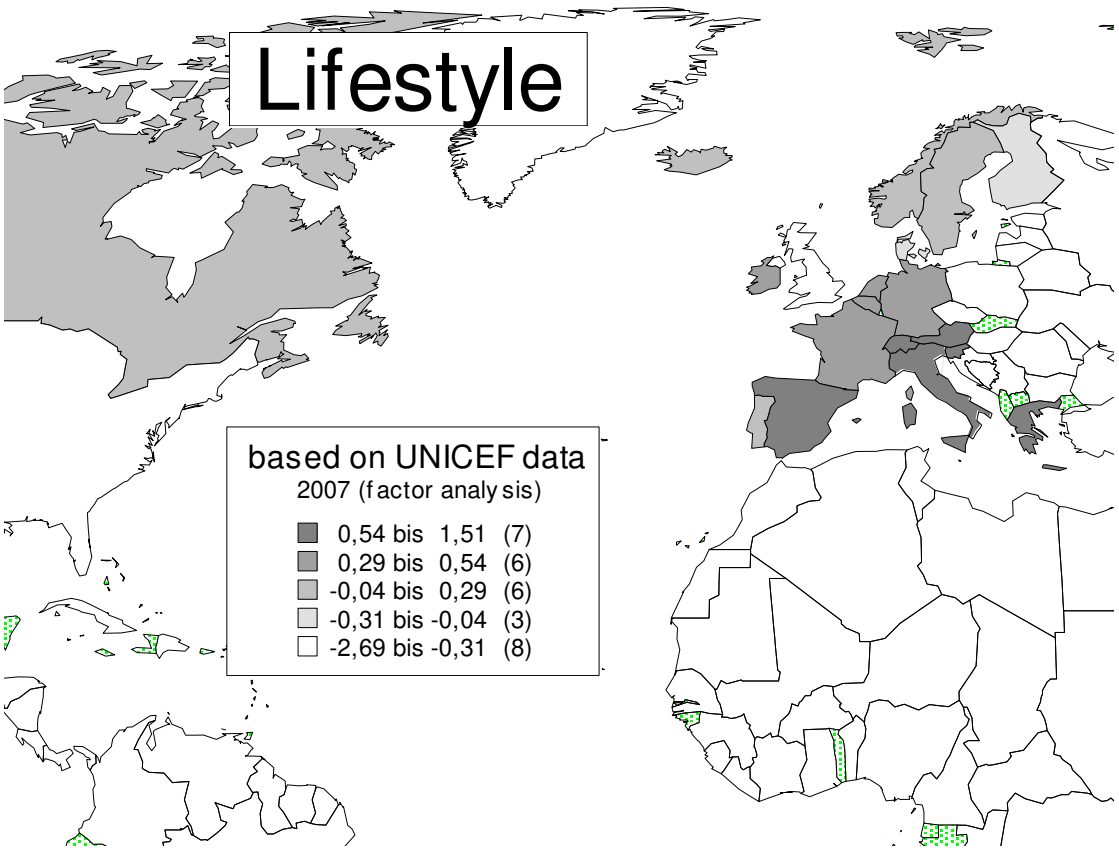
Adolescent fertility rate, births per 1000 women aged 15-19: 2003.	VAR00026	0,55
Percentage of young people who eat fruit every day, aged 11, 13, 15 years: 2001	VAR00031	-0,568
Percentage of young people with scores above the middle of the life satisfaction scale, aged 11, 13 and 15: 2001	VAR00036	-0,774

Eigenvalues, percentage of total variance explained

5,79 14,475

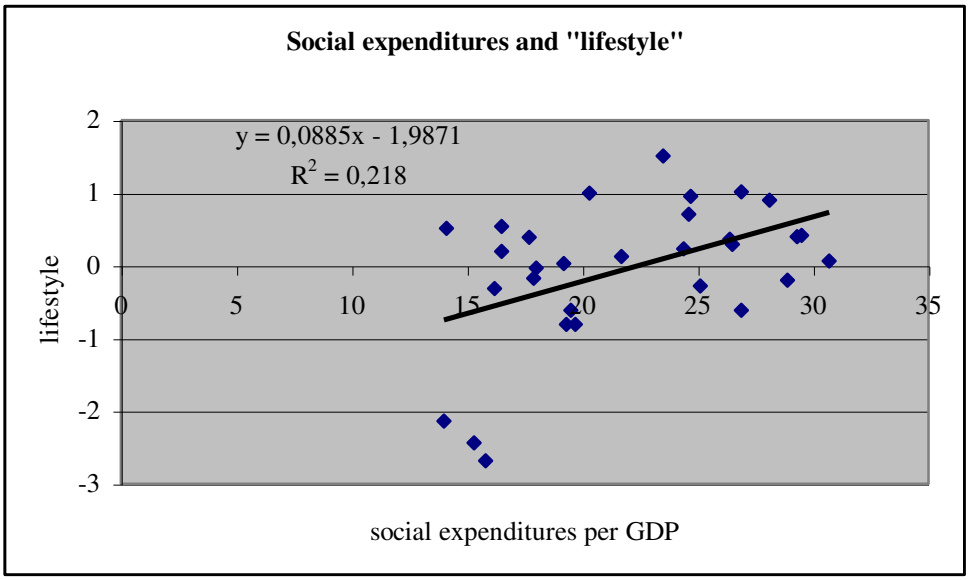
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 4.2: The factor "Lifestyle"



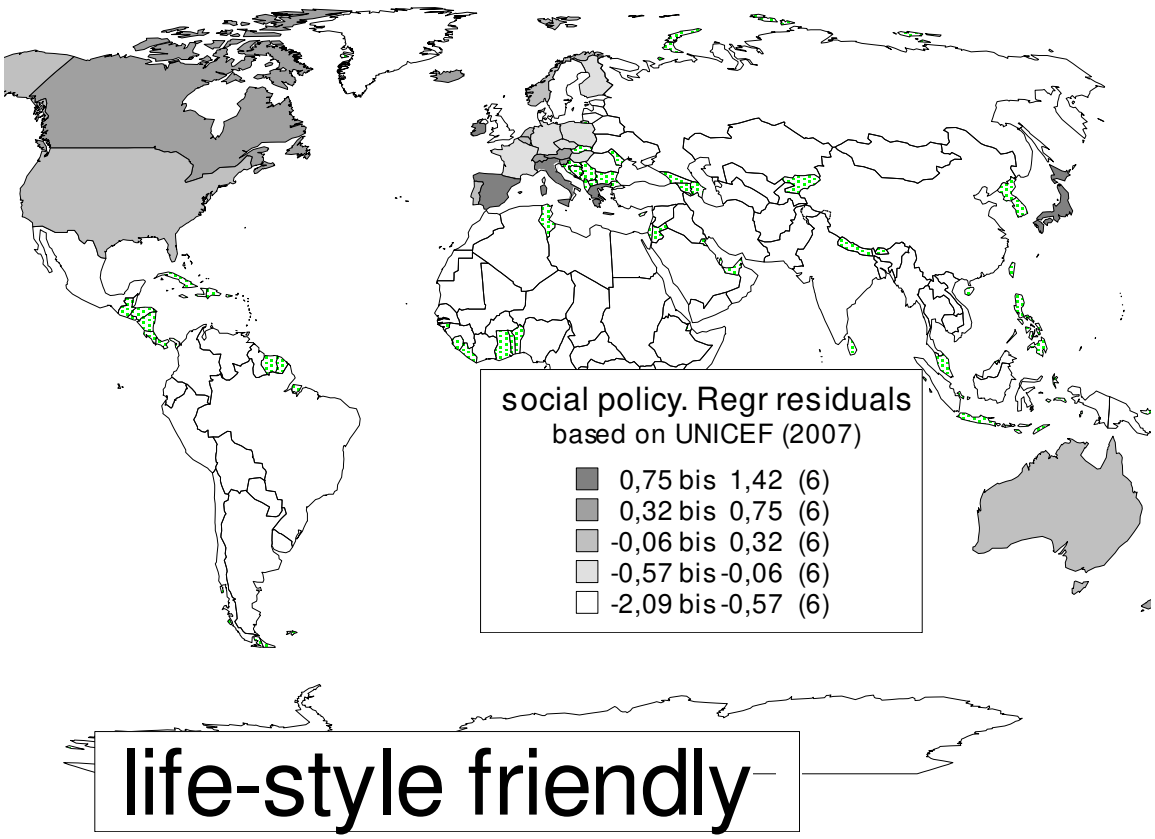
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Graph 4.2: Social expenditures and the factor and the residuals from the trade-off with social expenditures – the factor "lifestyle"



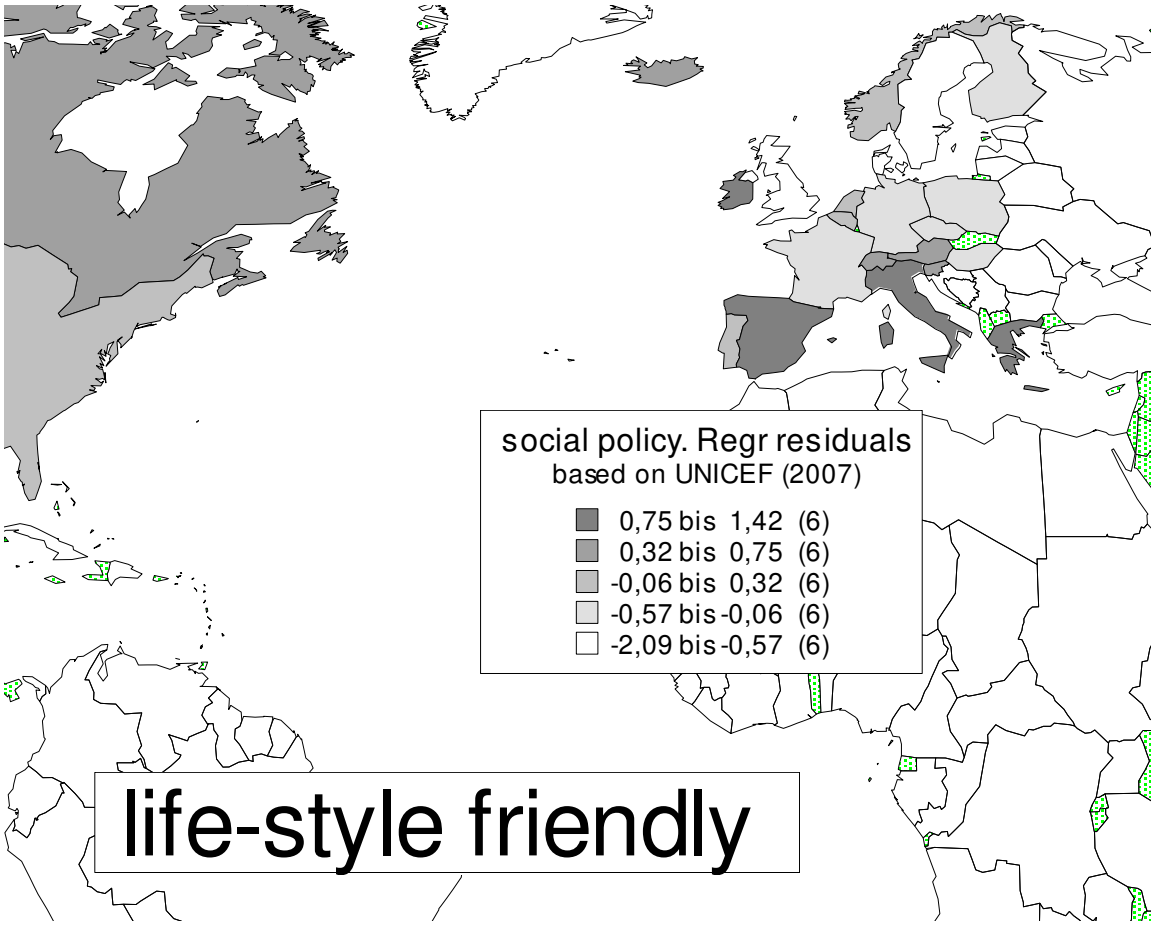
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Map 4.2: The factor "Lifestyle" – the efficiency of social expenditures in bringing about this factor



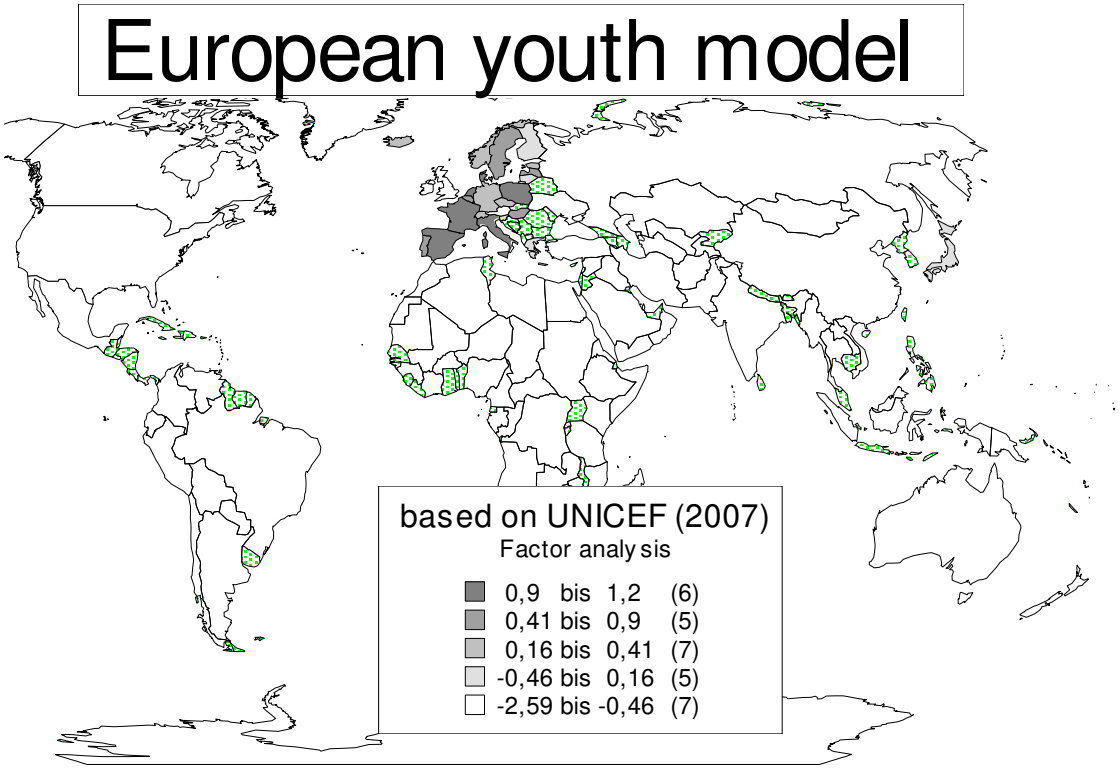
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 4.2: The factor "Lifestyle" – the efficiency of social expenditures in bringing about this factor



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 4.3: the European youth model



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Main factor analytical definition criteria (matrix of components)

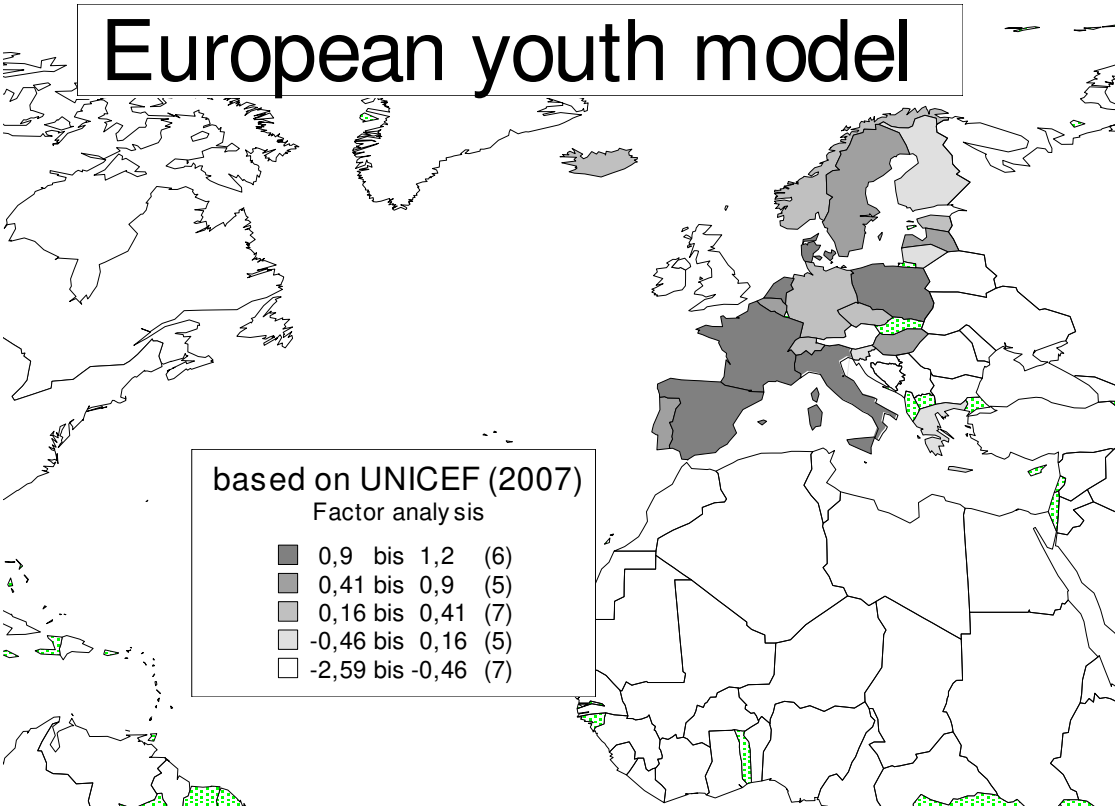
	REVERSED FOR THE INTERPRETATION OF THE FACTOR SCORES	YES
	Komponentenmatrix(a)	
		European youth policy model
Mean number of days when young people are physically active for one hour or more of the previous /typical week, aged 11, 13, 15: 2001	VAR00033	0,581
Adolescent fertility rate, births per 1000 women aged 15-19: 2003.	VAR00026	0,571
Percentage of children (0-17) in households with equivalent income less than 50 per cent of the median: most recent data.	VAR00001	0,525
DPT3: % children immunized aged 12-23 months: 2002.	VAR00009	-0,572
Percentage of students whose parents eat their main meal with them around a table several times a week, aged 15: 2000	VAR00020	-0,654
Polio 3: % children immunized aged 12-23 months: 2002	VAR00010	-0,659

Eigenvalues, percentage of total variance explained

3,947 9,867

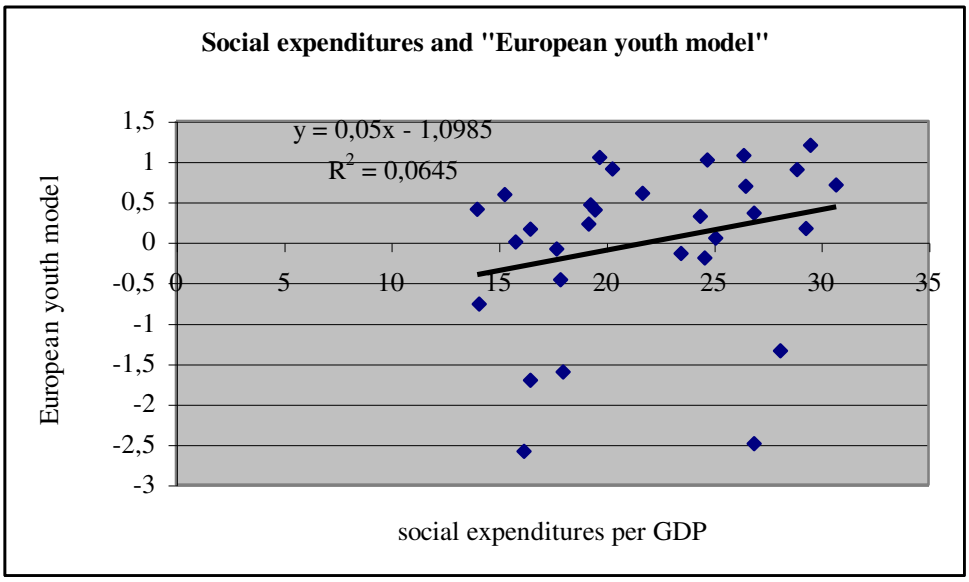
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 4.3: The European youth model



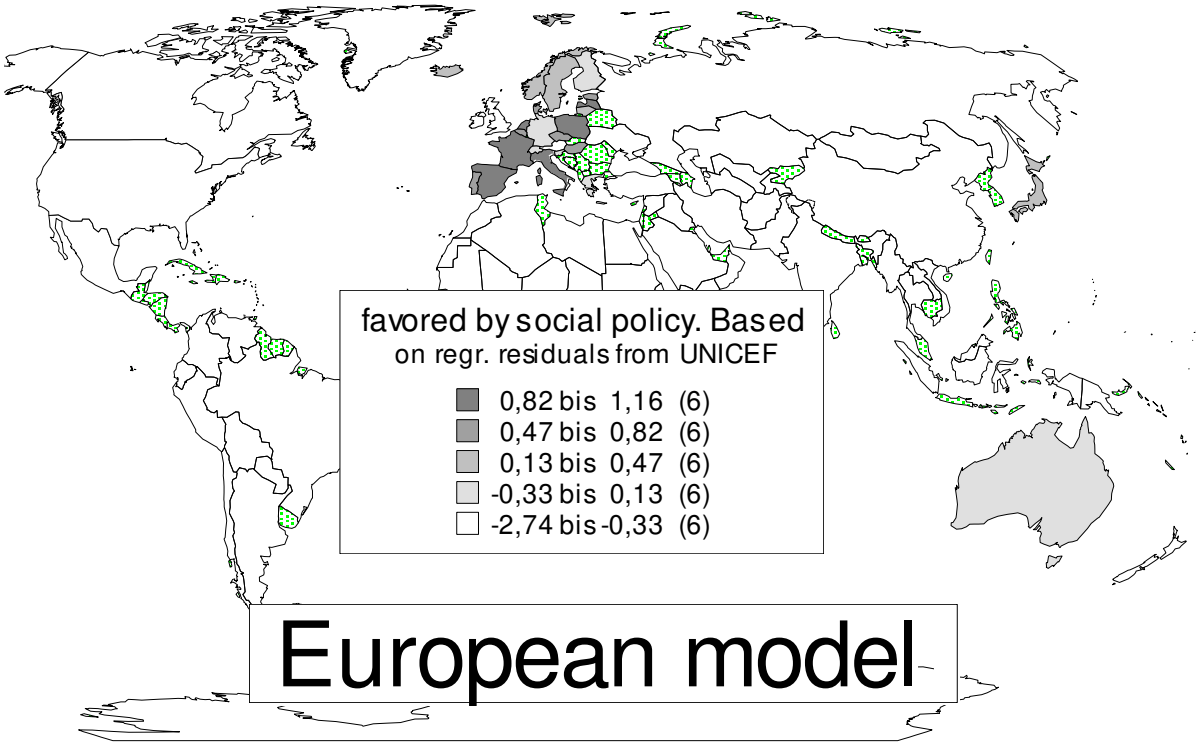
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Graph 4.3: Social expenditures and the factor and the residuals from the trade-off with social expenditures – the European youth model



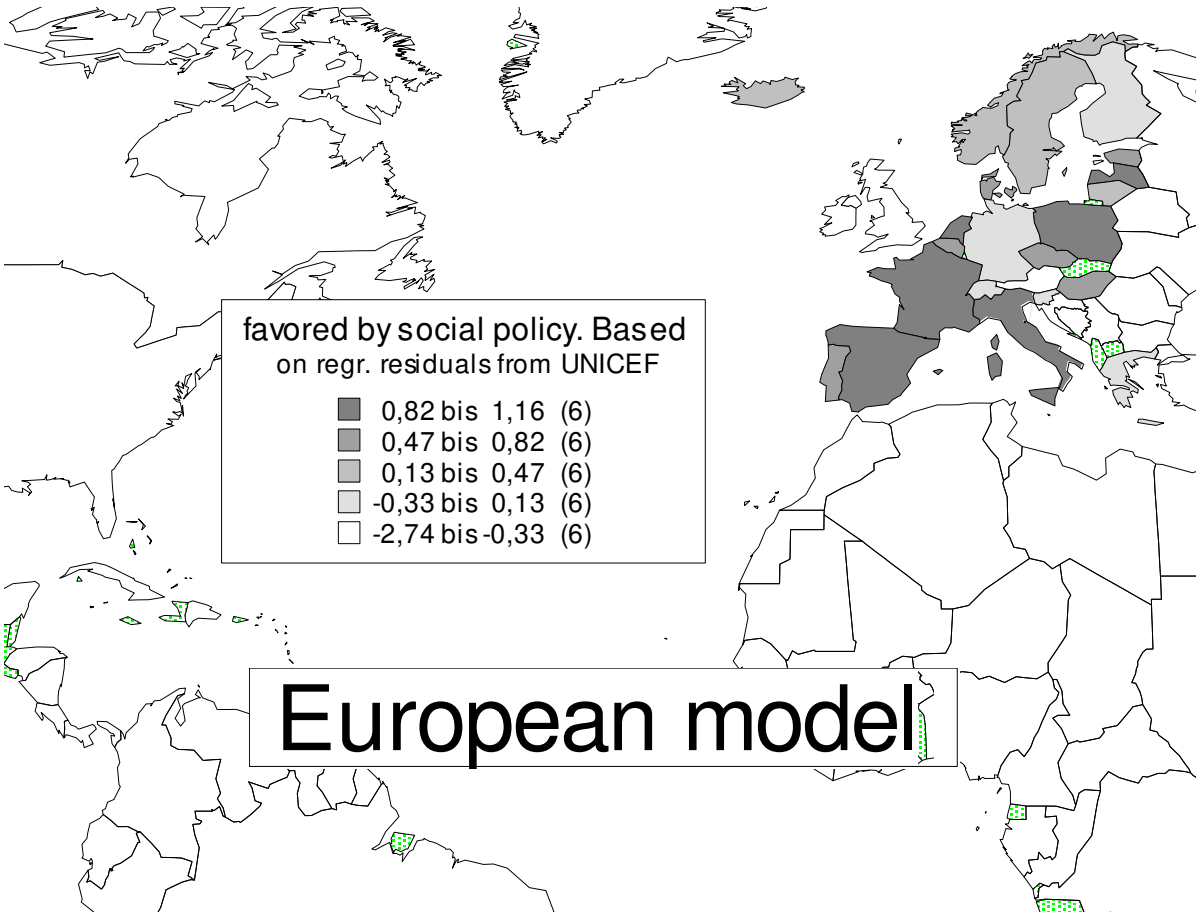
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Map 4.3: The factor "European youth model" – the efficiency of social expenditures in bringing about this factor



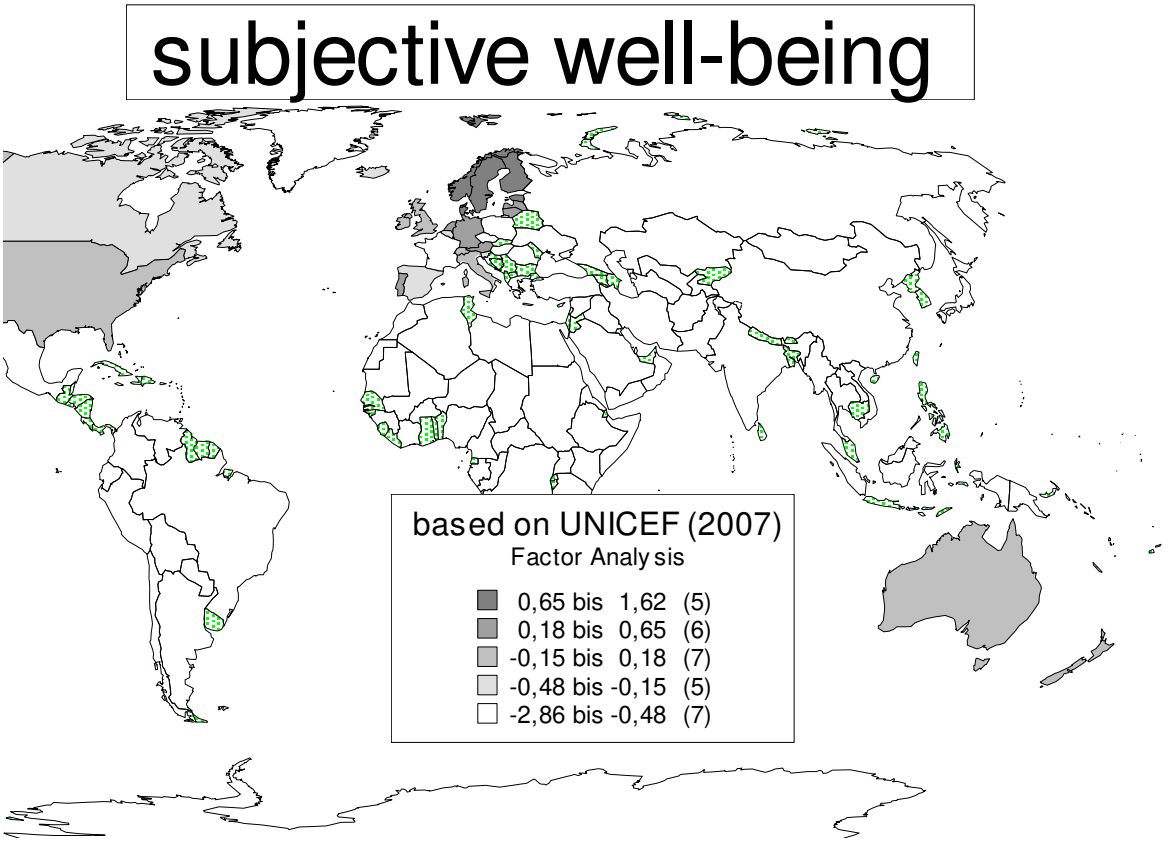
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 4.3: The factor "European youth model" – the efficiency of social expenditures in bringing about this factor



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 4.4: Subjective youth well-being



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Main factor analytical definition criteria (matrix of components)

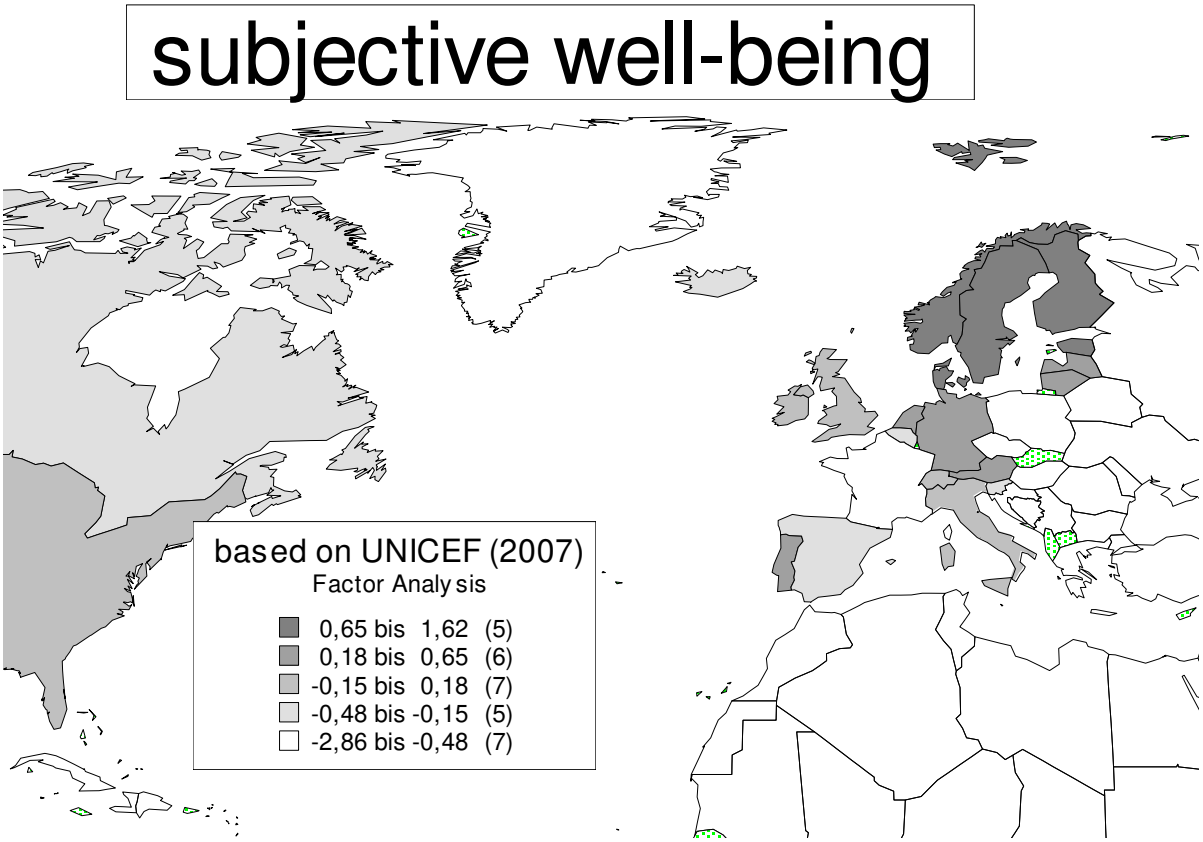
	REVERSED FOR THE INTERPRETATION OF THE FACTOR SCORES	YES
	Komponentenmatrix(a)	
		subjective well-being and peer relationships
Percentage of students who agree with the statement 'I feel lonely', aged 15: 2003	VAR00039	0,617
Percentage of children aged 15 reporting less than six educational possessions: 2003.	VAR00003	0,531
Percentage of students who agree with the statement 'I feel awkward and out of place', aged 15: 2003	VAR00038	0,514
Percentage of students who agree with the statement 'I feel like an outsider or left out of things', aged 15: 2003	VAR00037	0,503

Eigenvalues, percentage of total variance explained

3,231 8,079

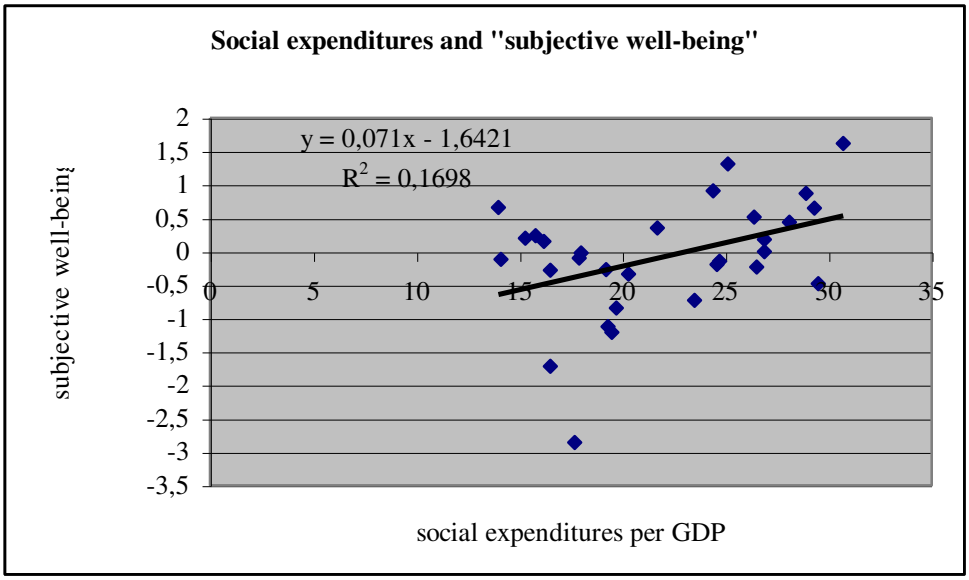
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 4.4: Subjective youth well-being



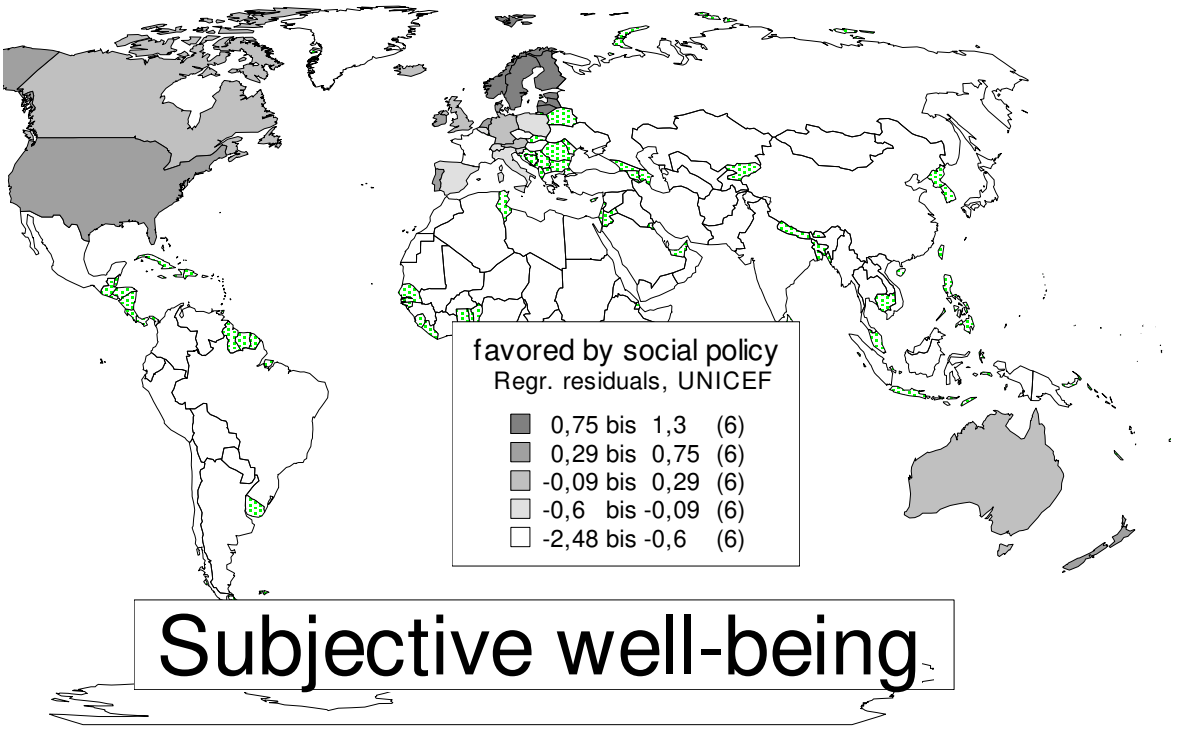
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Graph 4.4: Social expenditures and the factor and the residuals from the trade-off with social expenditures – subjective youth-well-being



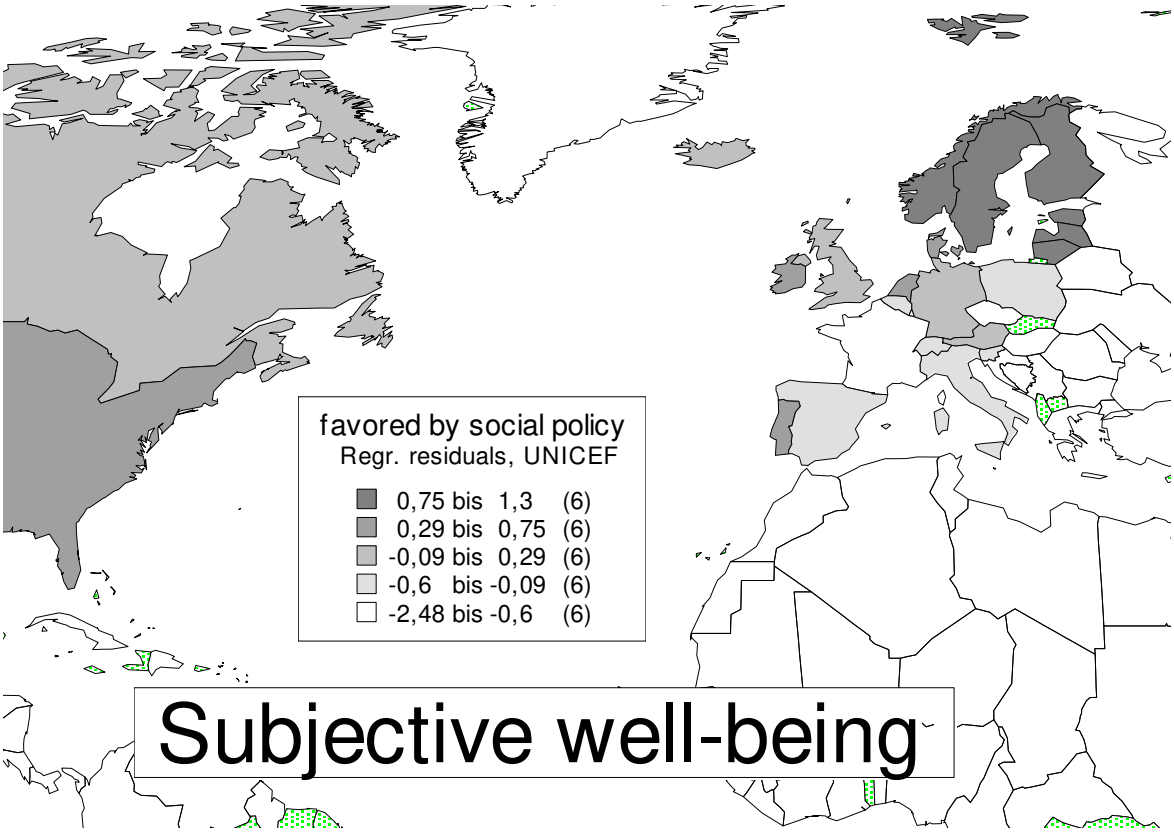
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Map 4.4: The efficiency of social expenditures in bringing about subjective youth well-being



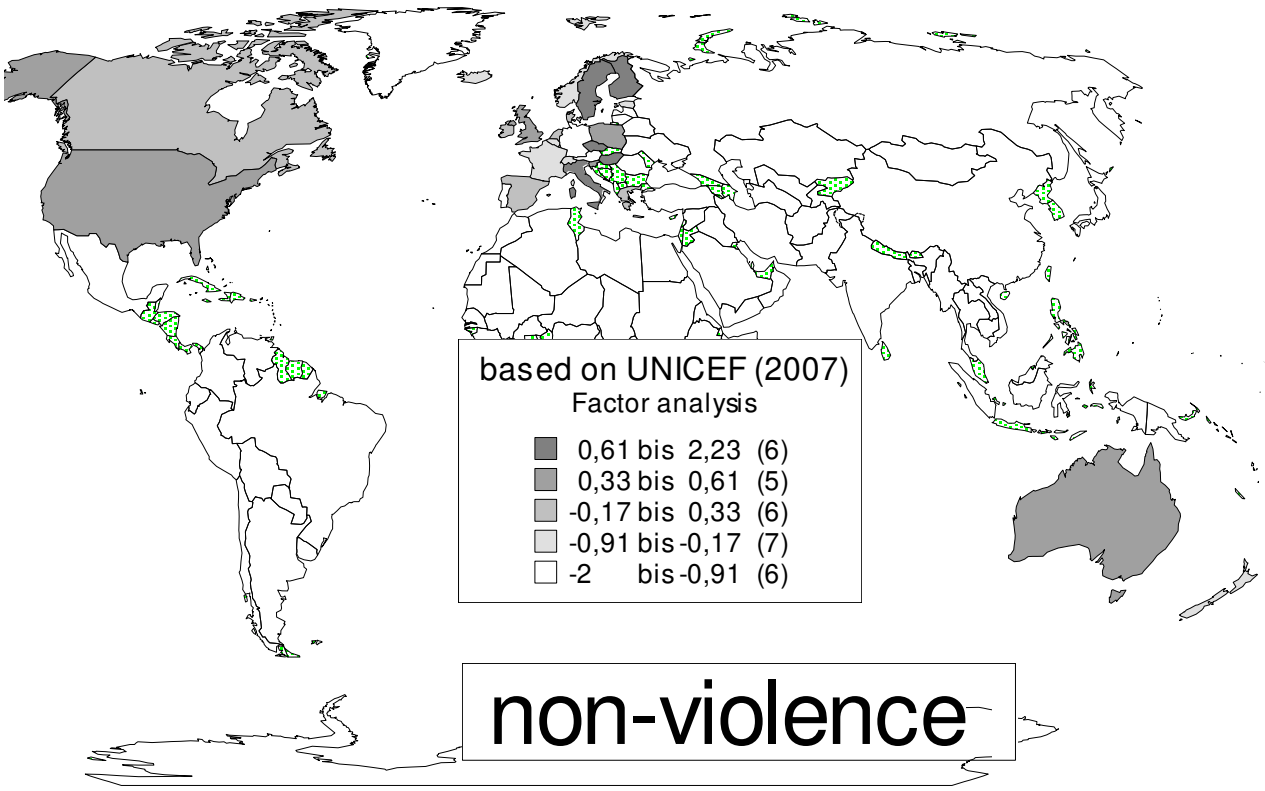
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 4.4: The efficiency of social expenditures in bringing about subjective youth well-being



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 4.5: youth non-violence



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Main factor analytical definition criteria (matrix of components)

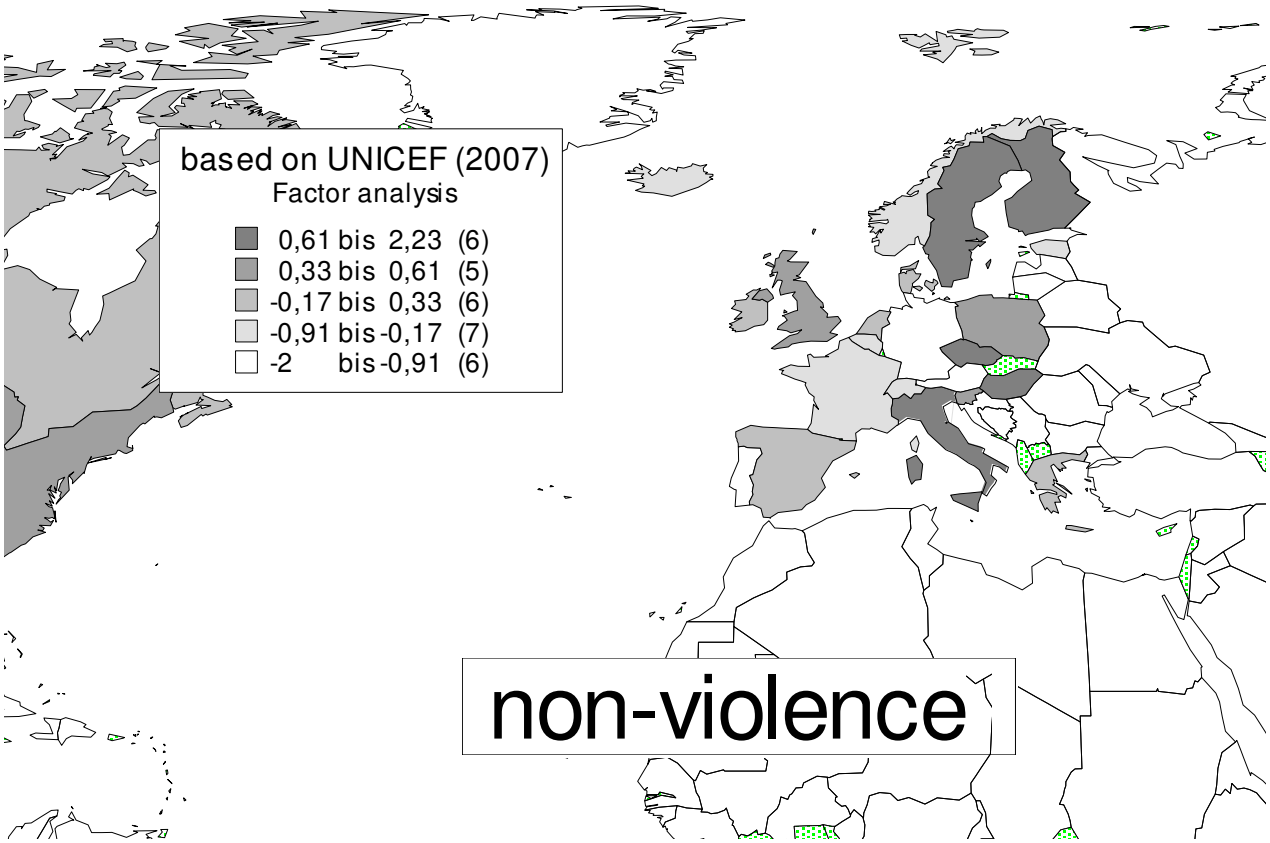
	REVERSED FOR THE INTERPRETATION OF THE FACTOR SCORES	YES
	Komponentenmatrix(a)	
		climate of non-violence
Percentage of young people who were bullied at least once in the last 2 months, aged 11, 13, 15: 2001	VAR00030	0,691
Percentage of students who agree with the statement 'I feel awkward and out of place', aged 15: 2003	VAR00038	0,585

Eigenvalues, percentage of total variance explained

2,787 6,968

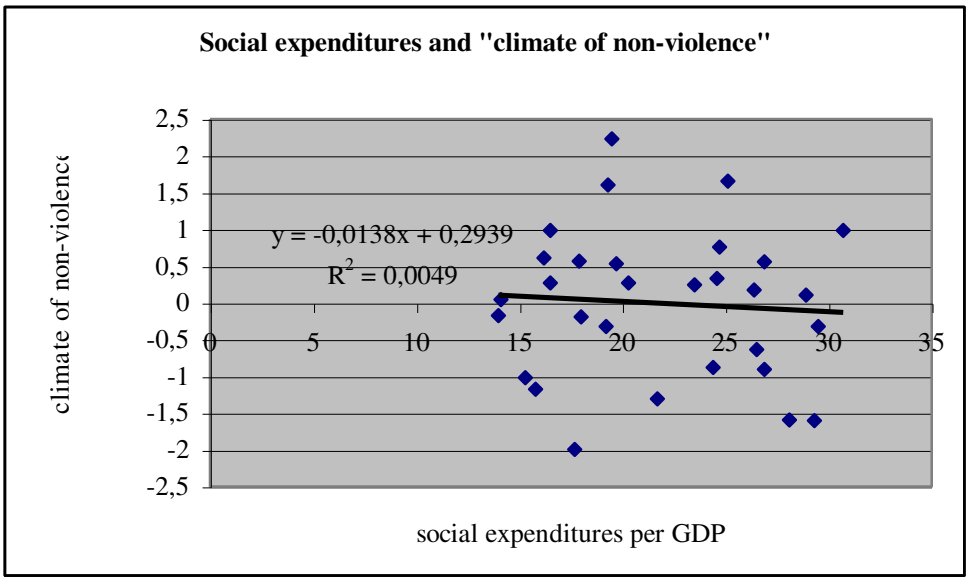
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. “Bis” is shorthand for “ranging from … to”

Map 4.5: youth non-violence



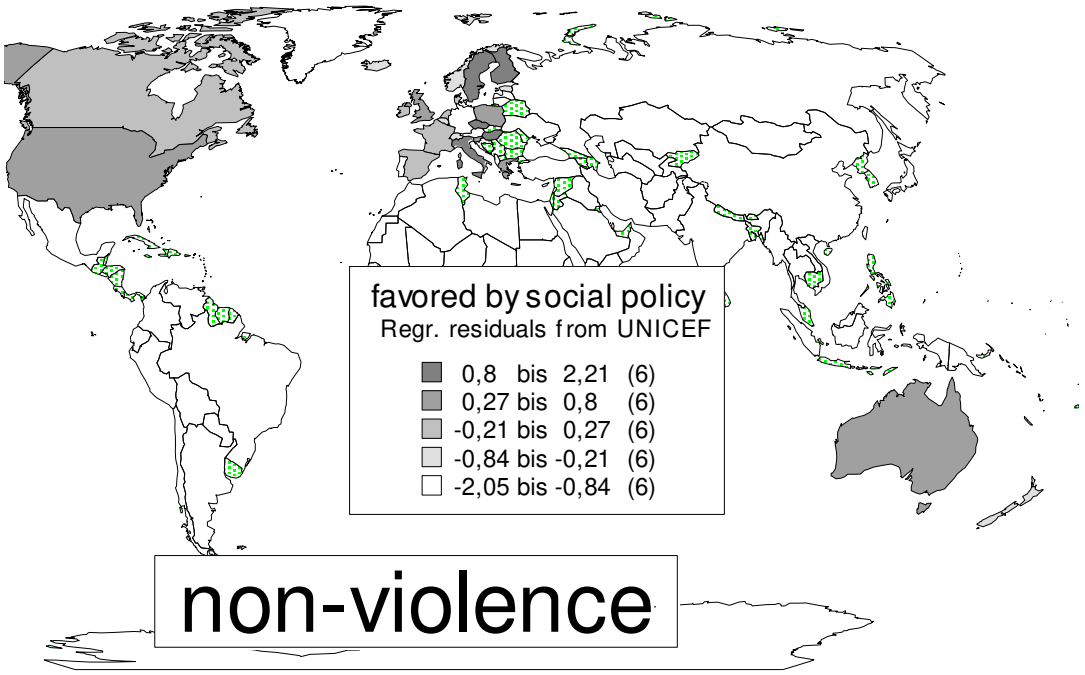
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. “Bis” is shorthand for “ranging from … to”

Graph 4.5: Social expenditures and the factor and the residuals from the trade-off with social expenditures – non-violence



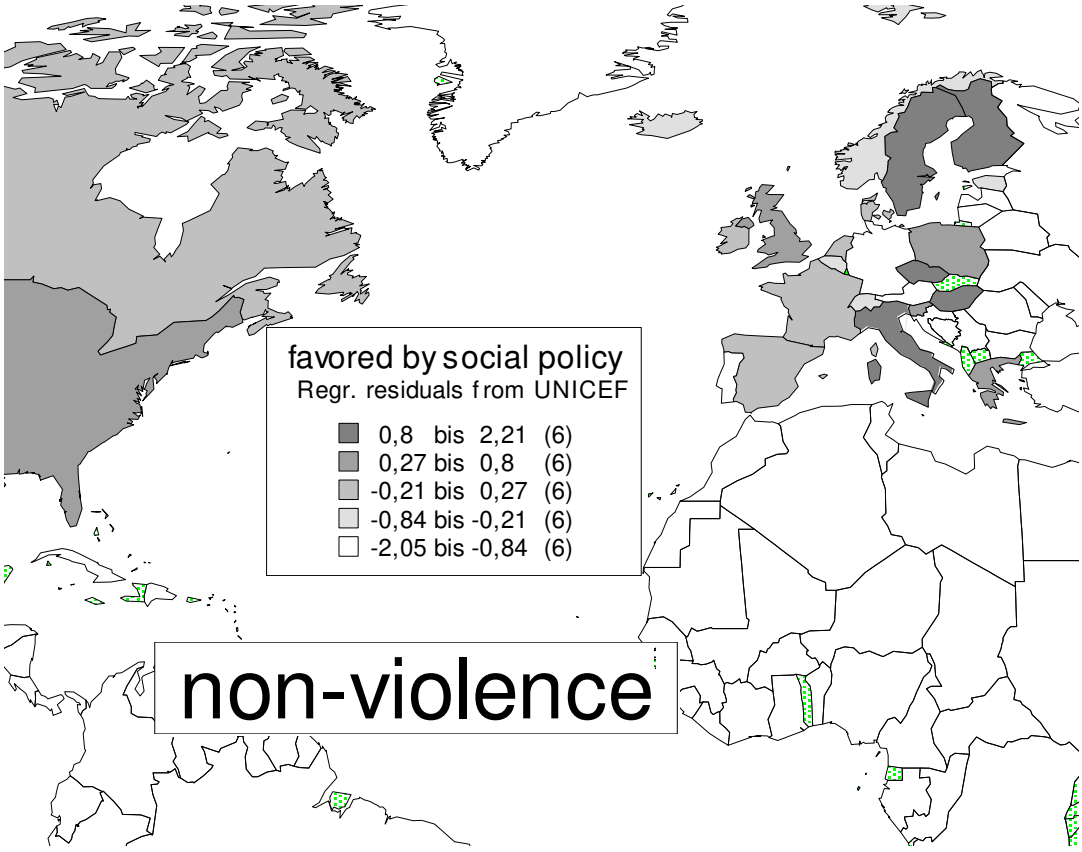
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Map 4.5: the efficiency of social expenditures in bringing about a climate of youth non-violence



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

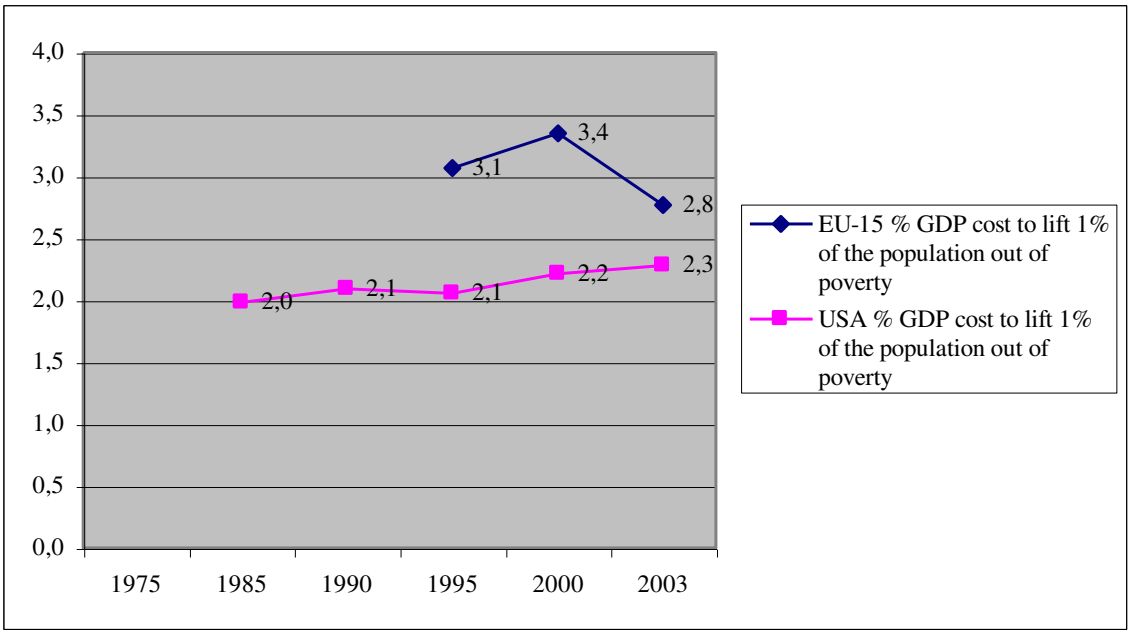
Map 4.5: the efficiency of social expenditures in bringing about a climate of youth non-violence



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

V. ANALYTICAL SYNOPSIS OF THE RESULTS

Graph 5.1: Aggregate social efficiency EU-15 – USA since the mid 1980s



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on Eurostat (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1090,30070682,1090_33076576&_dad=portal&_schema=PORTAL) OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008)

Table 5.1: Aggregate social efficiency, EU-15 and USA since the mid 1980s

	1975	1985	1990	1995	2000	2003
EU-15 social transfers in % of GDP				27,6	26,8	27,7
USA social transfers in % of GDP		12,9	13,4	15,4	14,6	16,2
EU-15 poverty before social transfers				26,0	23,0	25,0
USA poverty before social transfers	27,4	30,3	30,6	31,3	30,3	31,0
EU-15 poverty after social transfers				**17,0**	**15,0**	**15,0**
USA poverty after social transfers	**21,2**	**23,8**	**24,2**	**23,8**	**23,7**	**23,9**
EU-15 % of the pop. lifted out of povery by social transfers				9,0	8,0	10,0
USA % of the pop. lifted out of povery by social transfers	6,2	6,5	6,4	7,5	6,6	7,1
EU-15 % GDP cost to lift 1% of the population out of poverty				3,1	3,4	2,8
USA % GDP cost to lift 1% of the population out of poverty		2,0	2,1	2,1	2,2	2,3

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on Eurostat (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1090,30070682,1090_33076576&_dad=portal&_schema=PORTAL) OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008

Table 5.2 a – child and youth welfare – factor analytical results, based on UNICEF

	Child and youth welfare – combined factor analytical index, based on percentages of total variance explained in the factor analytical model
Finland	50,98
Sweden	50,88
Netherlands	37,30
Switzerland	25,94
Denmark	25,68
Belgium	23,28
Norway	21,07
France	17,58
Italy	17,02
Germany	15,83
Spain	10,18
Slovenia	9,42
Iceland	8,30
Ireland	2,79
Australia	2,70
Czech Republic	2,30
Canada	-2,16
Greece	-10,04
Malta	-11,53
Austria	-13,60
Portugal	-13,60
Poland	-14,03
United Kingdom	-17,04
Hungary	-18,54
New Zealand	-19,06
Japan	-20,52
Estonia	-27,96
United States	-36,49
Latvia	-55,74
Lithuania	-58,12

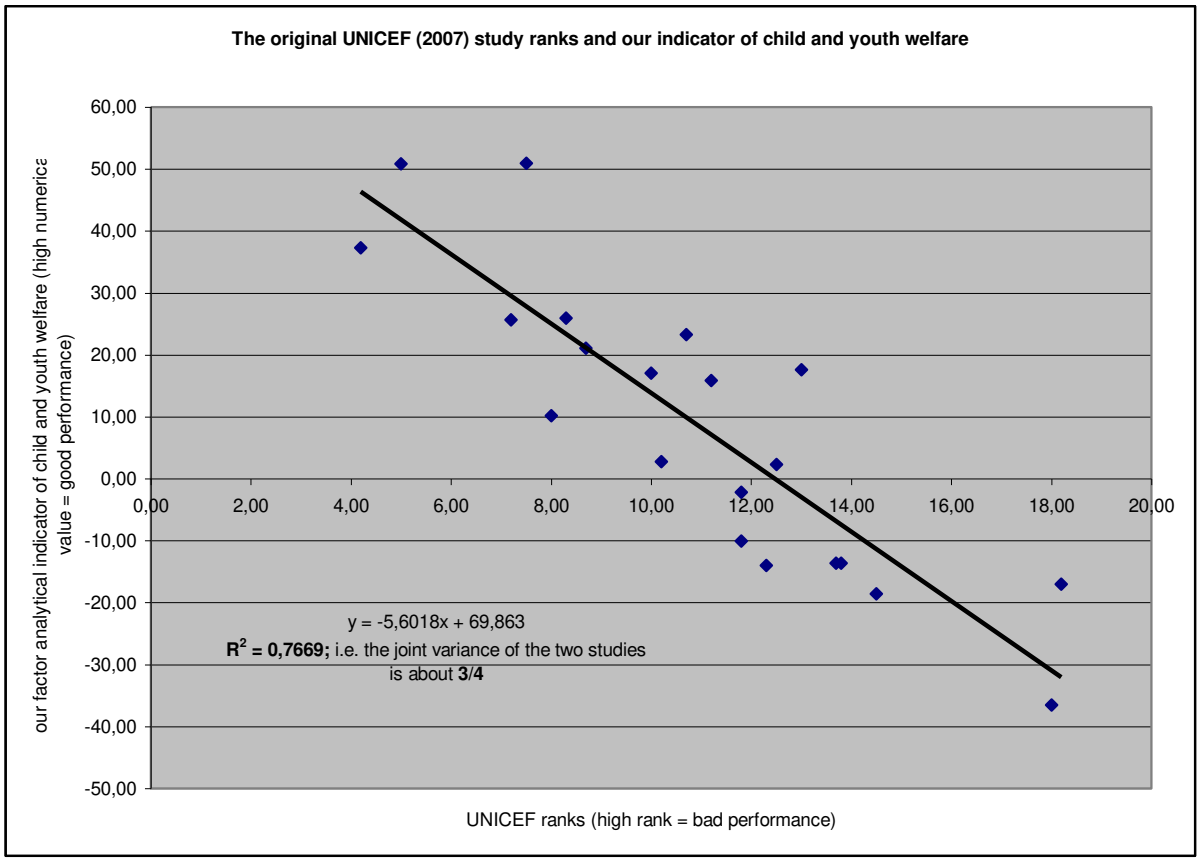
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Table 5.2b – child and youth welfare – the factor analytical results, based on UNICEF compared with the original UNICEF (2007) results

	The UNICEF combined ranks	Child and youth welfare - weighted and combined factor analytical scores from the UNICEF data
United Kingdom	18,20	-17,04
United States	18,00	-36,49
Hungary	14,50	-18,54
Austria	13,80	-13,60
Portugal	13,70	-13,60
France	13,00	17,58
Czech Republic	12,50	2,30
Poland	12,30	-14,03
Canada	11,80	-2,16
Greece	11,80	-10,04
Germany	11,20	15,83
Belgium	10,70	23,28
Ireland	10,20	2,79
Italy	10,00	17,02
Norway	8,70	21,07
Switzerland	8,30	25,94
Spain	8,00	10,18
Finland	7,50	50,98
Denmark	7,20	25,68
Sweden	5,00	50,88
Netherlands	4,20	37,30

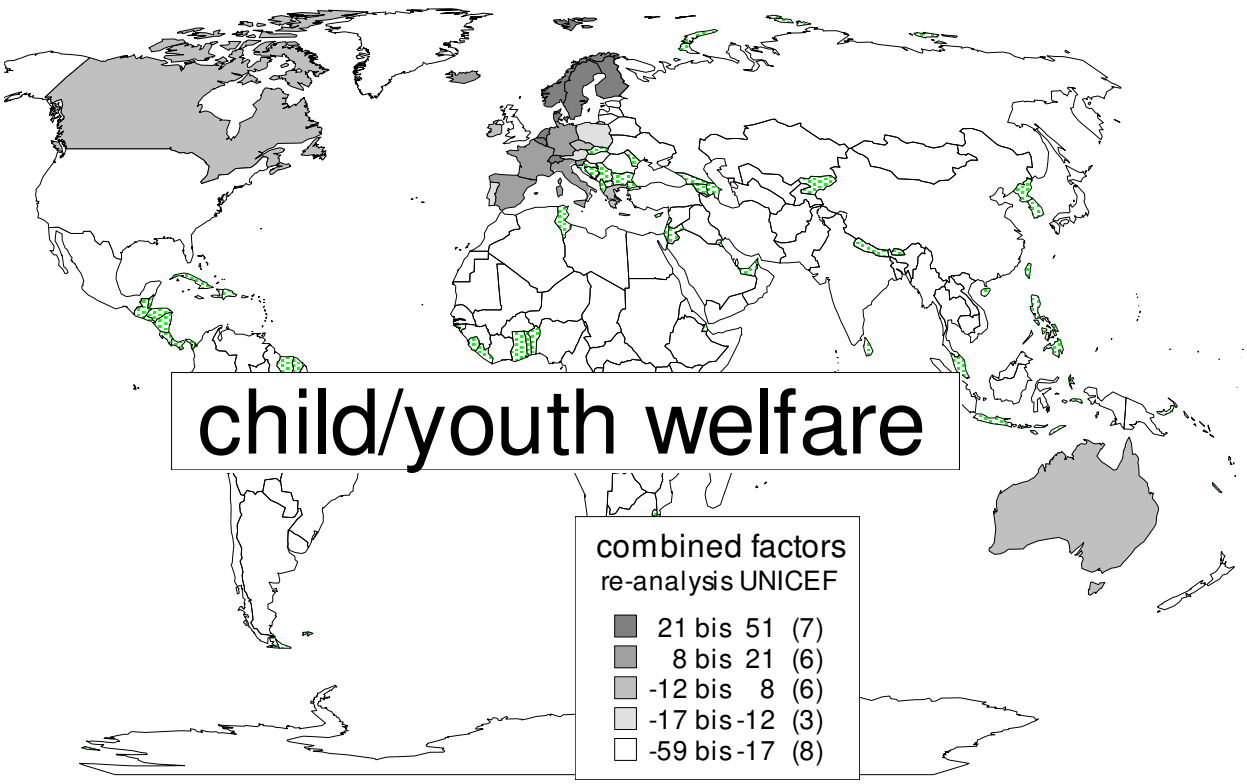
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008)

Graph 5.2: – the original UNICEF study and our factor analytical re-analysis



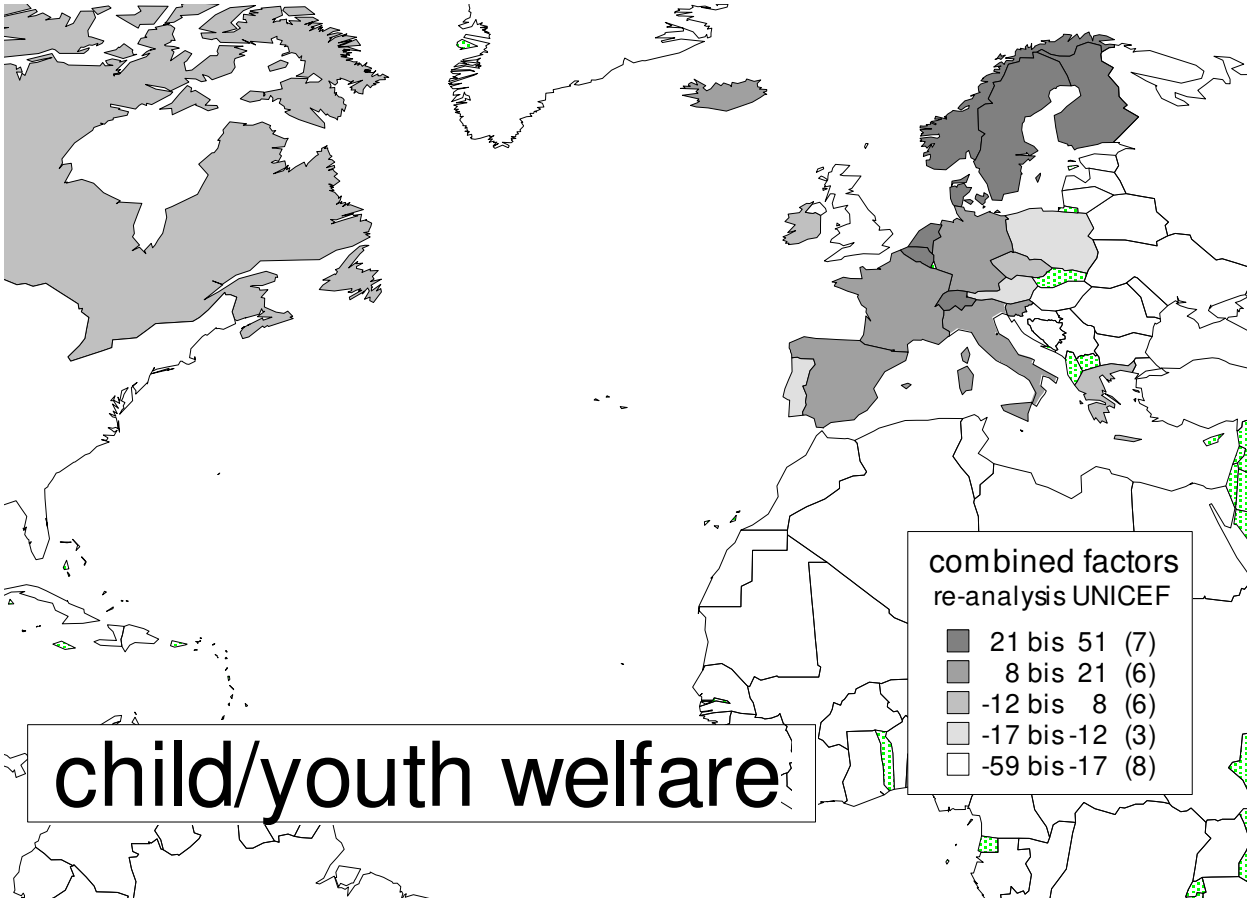
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Map 5.1: the combined factor analytical UNICEF results



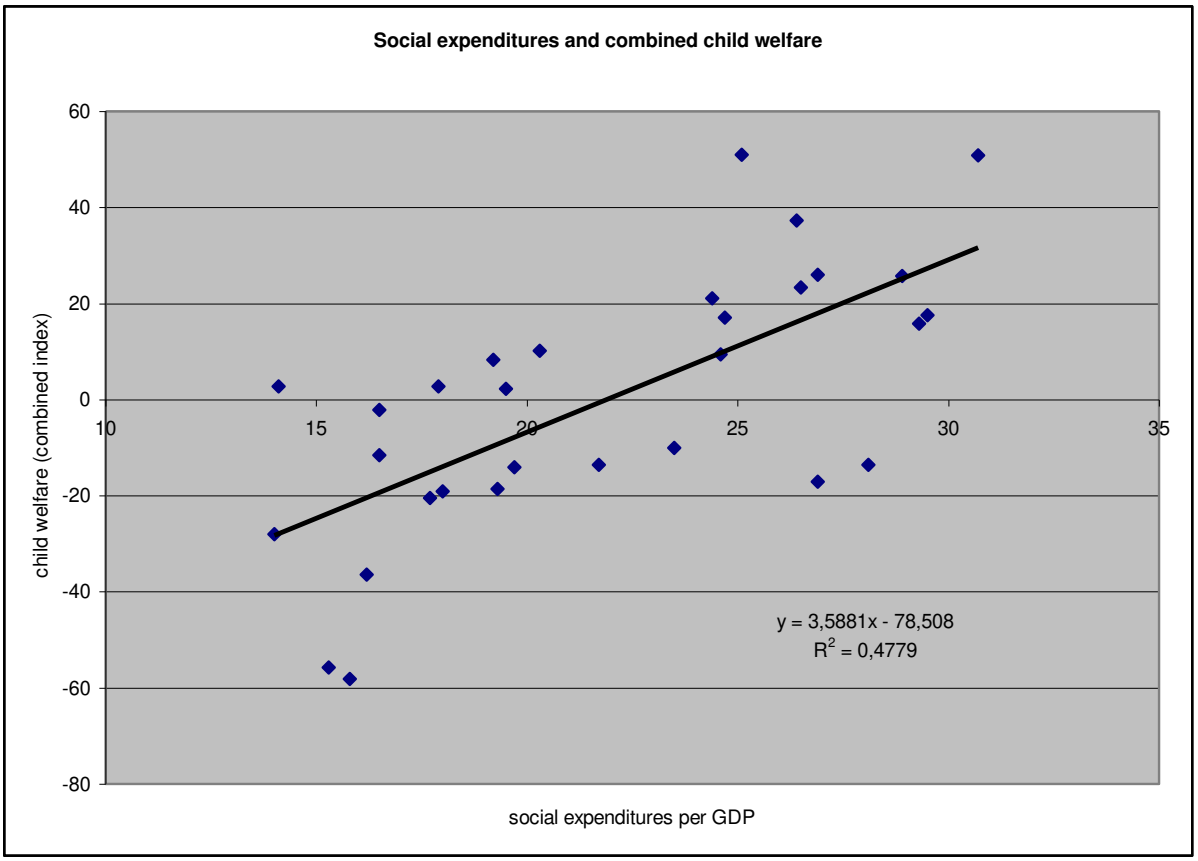
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 5.1: the combined factor analytical UNICEF results



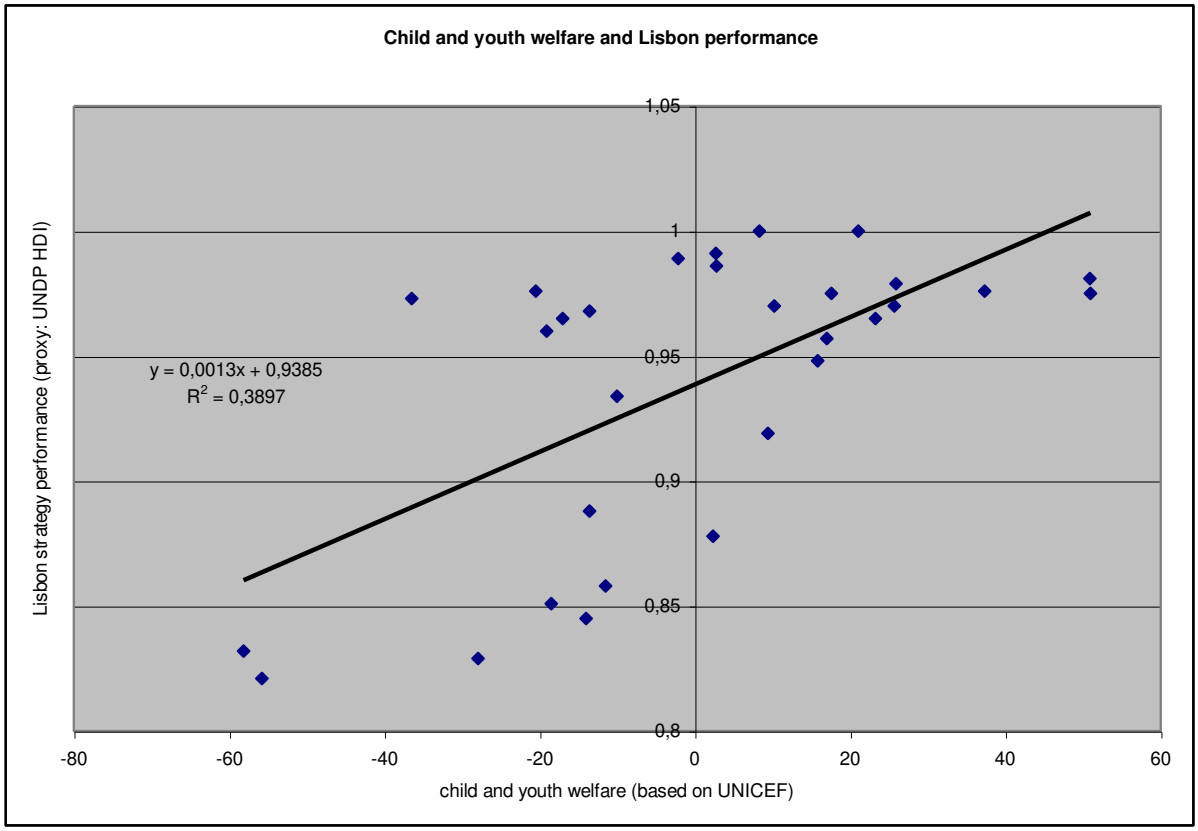
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Graph 5.3 social expenditures and child and youth welfare (combined results from factor analysis)



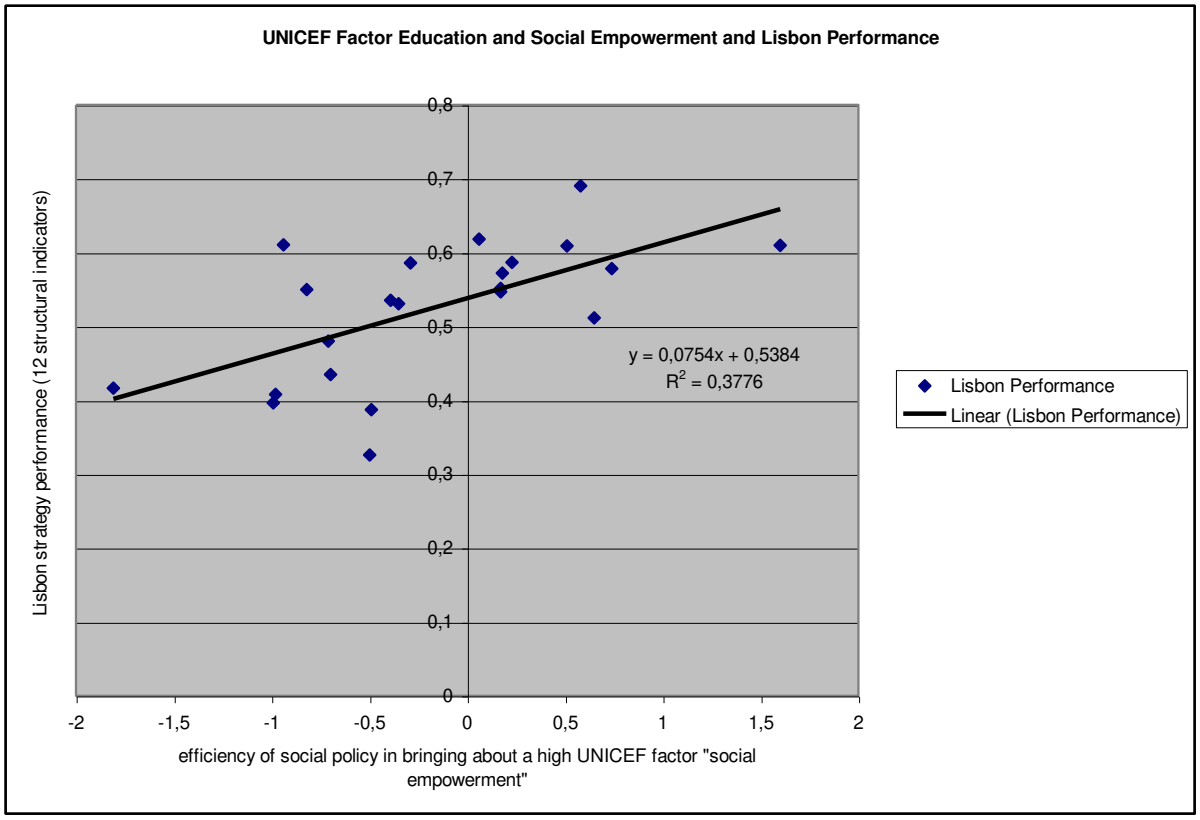
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Graph 5.4: Child and youth welfare and Lisbon strategy performance at the level of the entire OECD Western democracies (with UNDP Human Development Index as a Proxy for Lisbon performance)



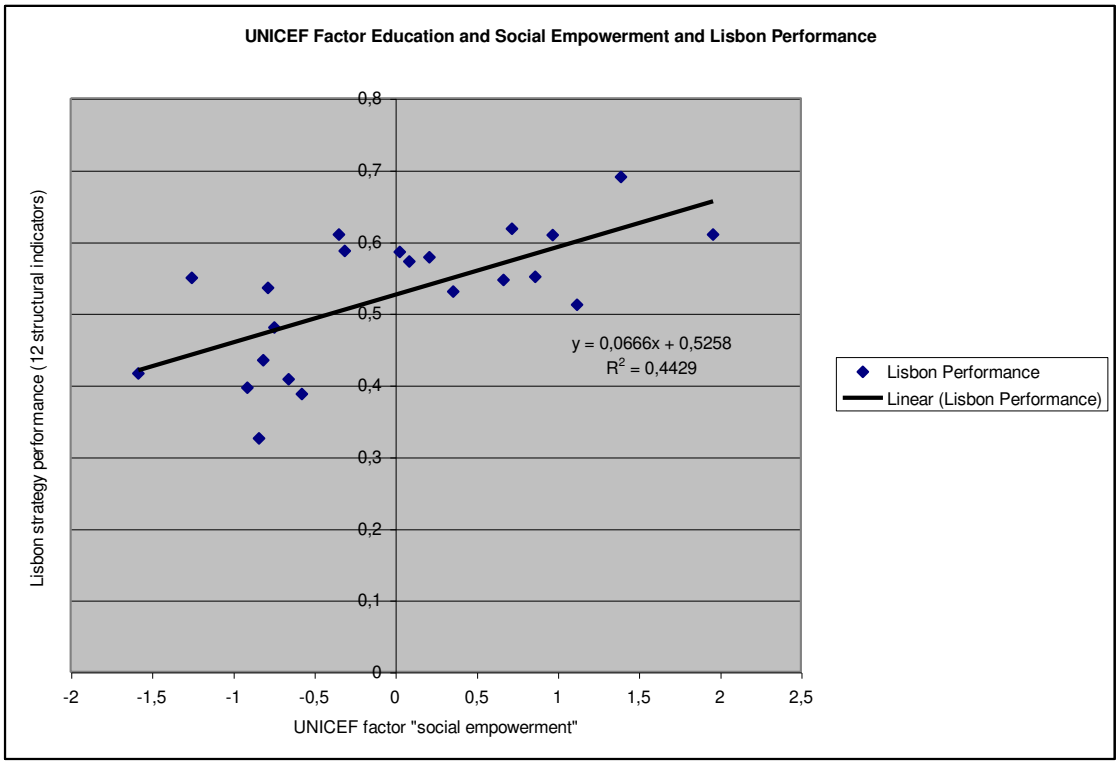
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Graph 5.5: The efficiency of European social policy in bringing about UNICEF "education and social empowerment" and European Lisbon performance



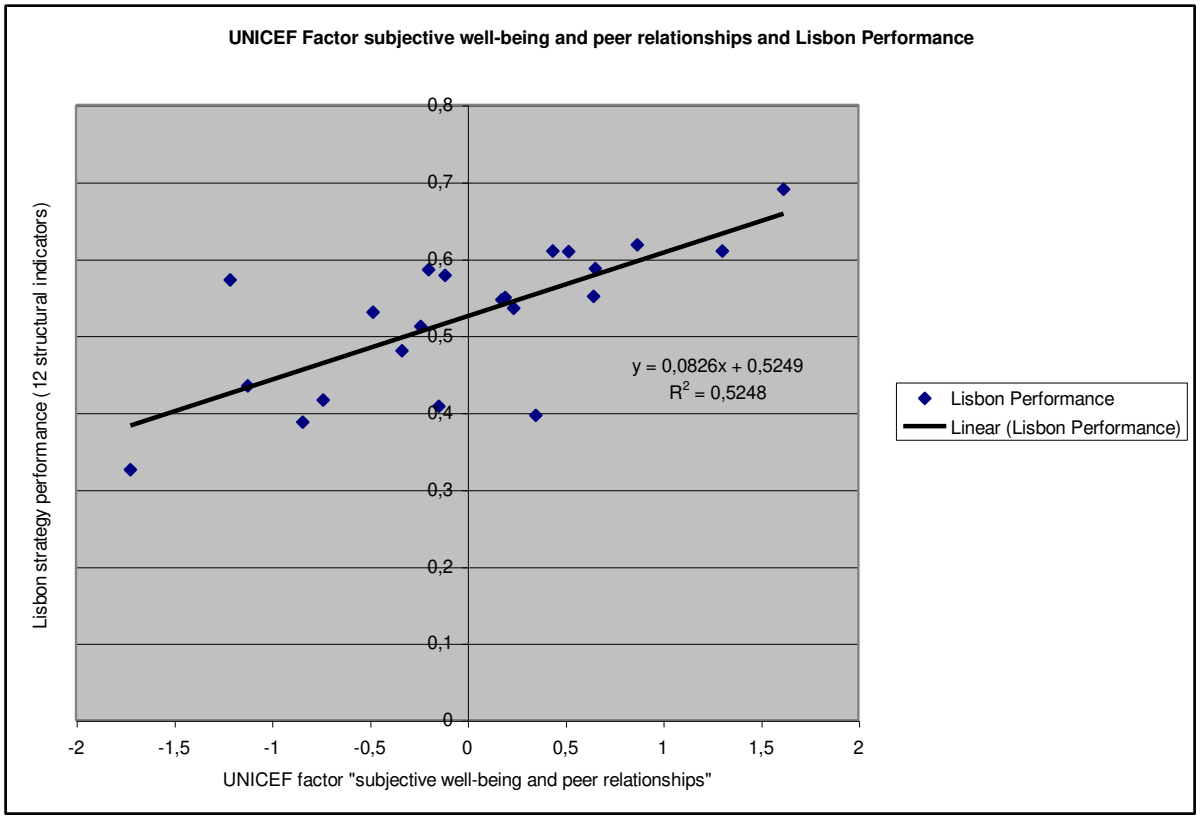
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based on **UNDP** (http://hdr.undp.org/en/statistics/data/), **OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Graph 5.6: The efficiency of European social policy in bringing about UNICEF "education and social empowerment" and European Lisbon performance



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based on **UNDP** (http://hdr.undp.org/en/statistics/data/), **OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Graph 5.7: The UNICEF factor "youth subjective well-being and peer relationships" and European Lisbon performance



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based on **UNDP** (http://hdr.undp.org/en/statistics/data/), **OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Table 5.3 The effectiveness of social spending in achieving child and youth welfare at the level of the entire OECD Western democracies, based on UNICEF data

	2000 social expenditures	Child and youth welfare	trend value	residual (=effectiveness of social spending in achieving child and youth welfare)
Australia	17,9	2,7	-14,3	17,0
Austria	28,1	-13,6	22,3	-35,9
Belgium	26,5	23,3	16,6	6,7
Canada	16,5	-2,2	-19,3	17,1
Czech Republic	19,5	2,3	-8,5	10,8
Denmark	28,9	25,7	25,2	0,5
Estonia	14	-28,0	-28,3	0,3
Finland	25,1	51,0	11,6	39,4
France	29,5	17,6	27,3	-9,8
Germany	29,3	15,8	26,6	-10,8
Greece	23,5	-10,0	5,8	-15,9
Hungary	19,3	-18,5	-9,3	-9,3
Iceland	19,2	8,3	-9,6	17,9
Ireland	14,1	2,8	-27,9	30,7
Italy	24,7	17,0	10,1	6,9
Japan	17,7	-20,5	-15,0	-5,5
Latvia	15,3	-55,7	-23,6	-32,1
Lithuania	15,8	-58,1	-21,8	-36,3
Malta	16,5	-11,5	-19,3	7,8
Netherlands	26,4	37,3	16,2	21,1
New Zealand	18	-19,1	-13,9	-5,1
Norway	24,4	21,1	9,0	12,0
Poland	19,7	-14,0	-7,8	-6,2
Portugal	21,7	-13,6	-0,6	-13,0
Slovenia	24,6	9,4	9,8	-0,3
Spain	20,3	10,2	-5,7	15,8
Sweden	30,7	50,9	31,6	19,2
Switzerland	26,9	25,9	18,0	7,9
United Kingdom	26,9	-17,0	18,0	-35,0
United States	16,2	-36,5	-20,4	-16,1

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.*

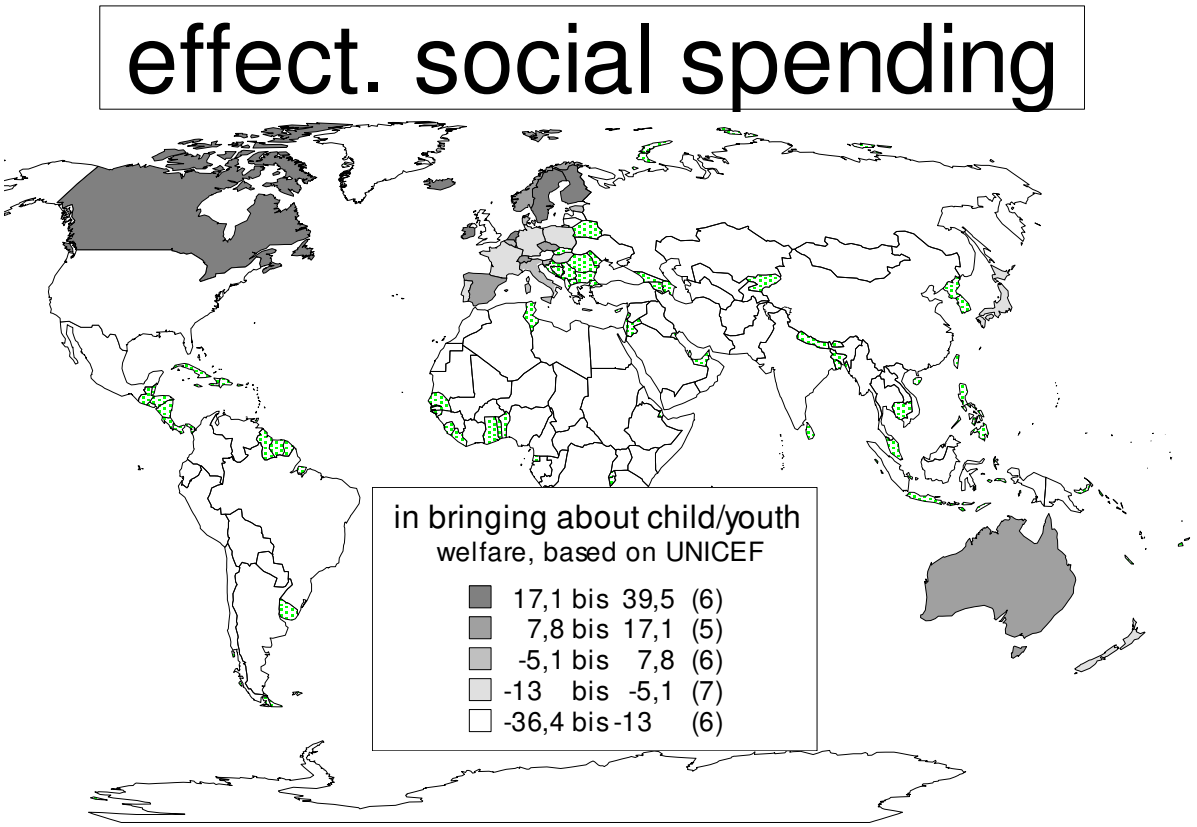
"Efficiency and Effectiveness of Social Spending", **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Table 5.4: the effectiveness of social spending in achieving child and youth welfare, ranked by the efficiency of social policy in bringing about combined child and youth welfare at the level of the entire OECD Western democracies, based on UNICEF data

	2000 social expenditures	Child and youth welfare (combined factor analytical values from UNICEF study)	trend value	residual (=effectiveness of social spending in achieving child and youth welfare)
Finland	25,1	51,0	11,6	39,4
Ireland	14,1	2,8	-27,9	30,7
Netherlands	26,4	37,3	16,2	21,1
Sweden	30,7	50,9	31,6	19,2
Iceland	19,2	8,3	-9,6	17,9
Canada	16,5	-2,2	-19,3	17,1
Australia	17,9	2,7	-14,3	17,0
Spain	20,3	10,2	-5,7	15,8
Norway	24,4	21,1	9,0	12,0
Czech Republic	19,5	2,3	-8,5	10,8
Switzerland	26,9	25,9	18,0	7,9
Malta	16,5	-11,5	-19,3	7,8
Italy	24,7	17,0	10,1	6,9
Belgium	26,5	23,3	16,6	6,7
Denmark	28,9	25,7	25,2	0,5
Estonia	14,0	-28,0	-28,3	0,3
Slovenia	24,6	9,4	9,8	-0,3
New Zealand	18,0	-19,1	-13,9	-5,1
Japan	17,7	-20,5	-15,0	-5,5
Poland	19,7	-14,0	-7,8	-6,2
Hungary	19,3	-18,5	-9,3	-9,3
France	29,5	17,6	27,3	-9,8
Germany	29,3	15,8	26,6	-10,8
Portugal	21,7	-13,6	-0,6	-13,0
Greece	23,5	-10,0	5,8	-15,9
United States	16,2	-36,5	-20,4	-16,1
Latvia	15,3	-55,7	-23,6	-32,1
United Kingdom	26,9	-17,0	18,0	-35,0
Austria	28,1	-13,6	22,3	-35,9
Lithuania	15,8	-58,1	-21,8	-36,3

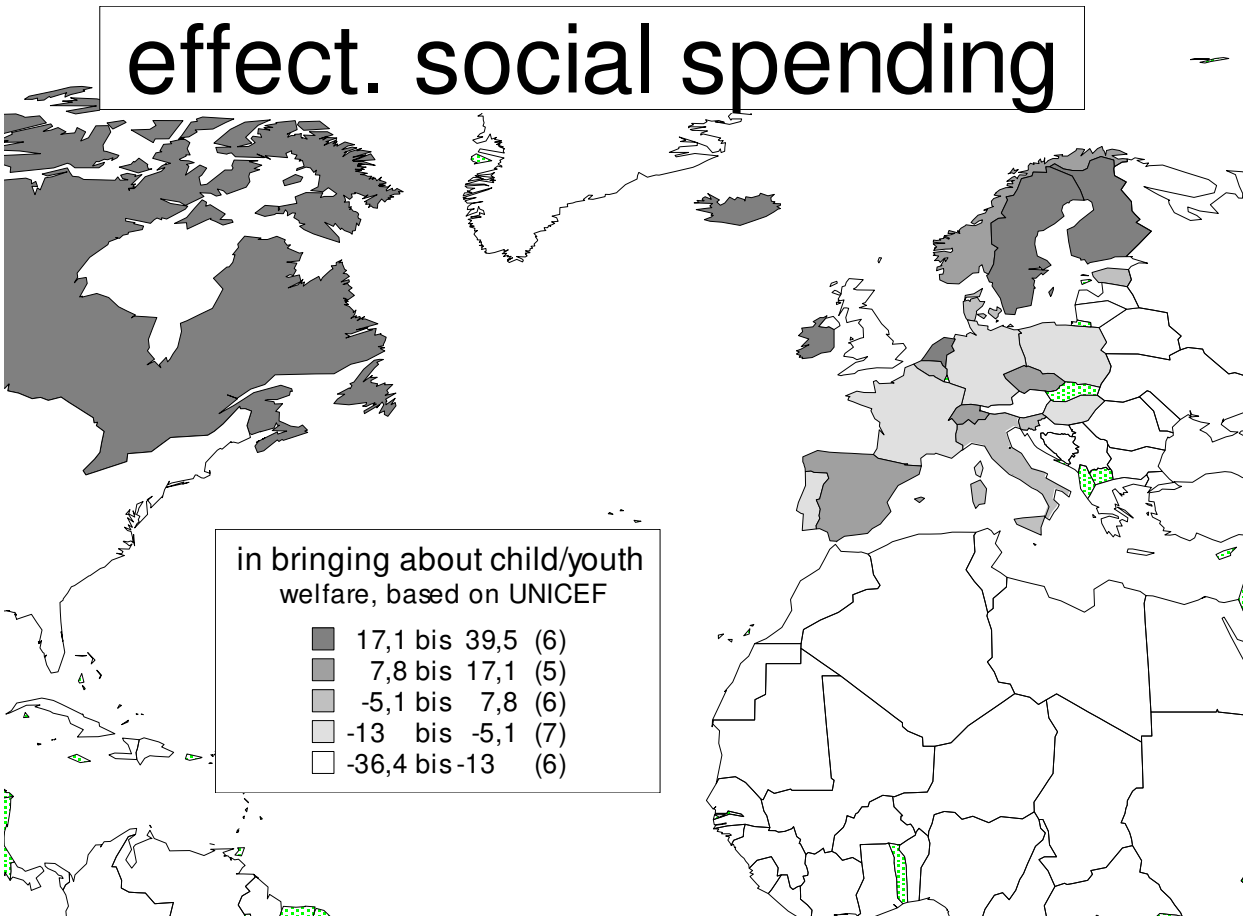
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Map 5.2: the effectiveness of social spending in bringing about child and youth welfare, based on UNICEF data



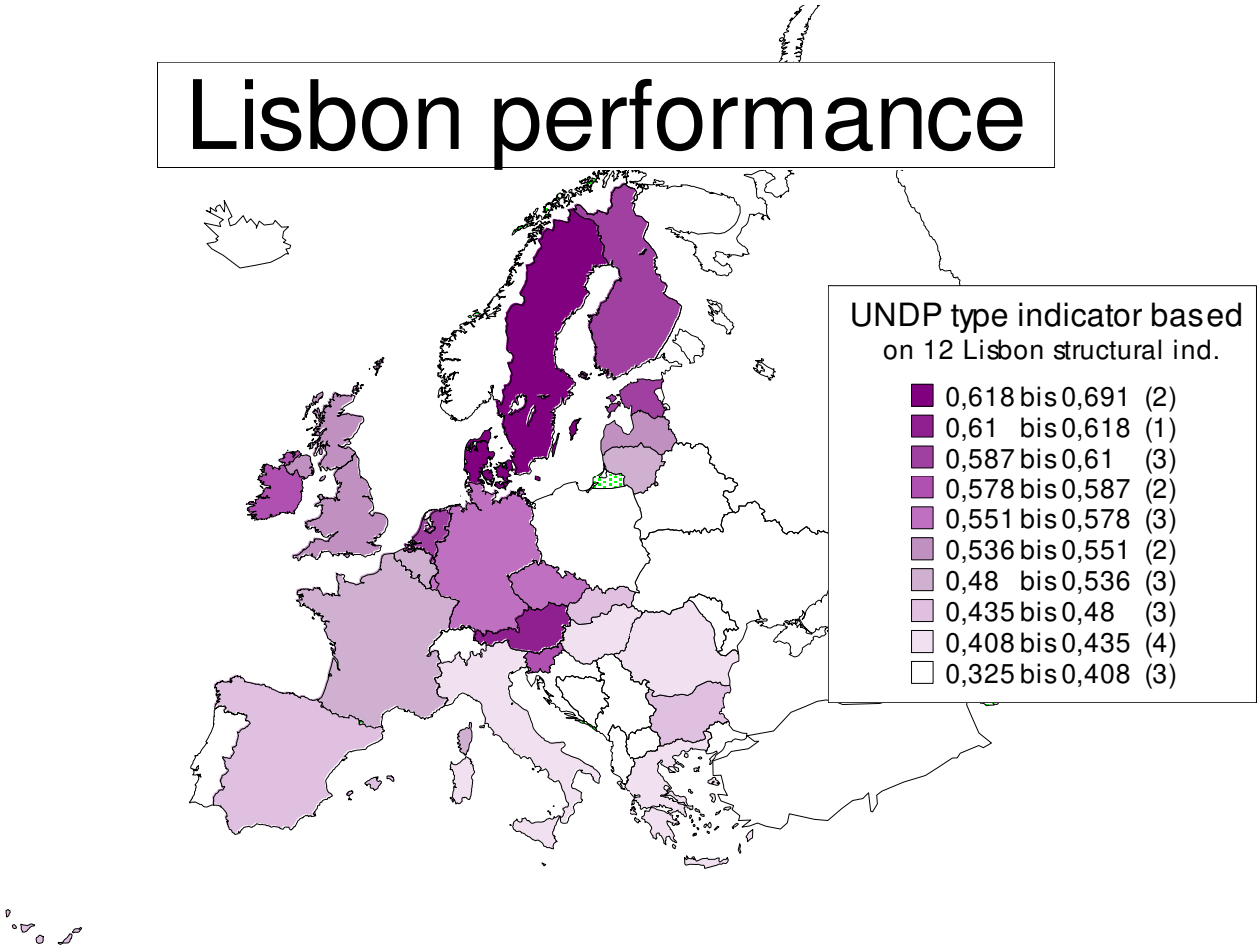
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 5.2: the effectiveness of social spending in bringing about child and youth welfare, based on UNICEF data



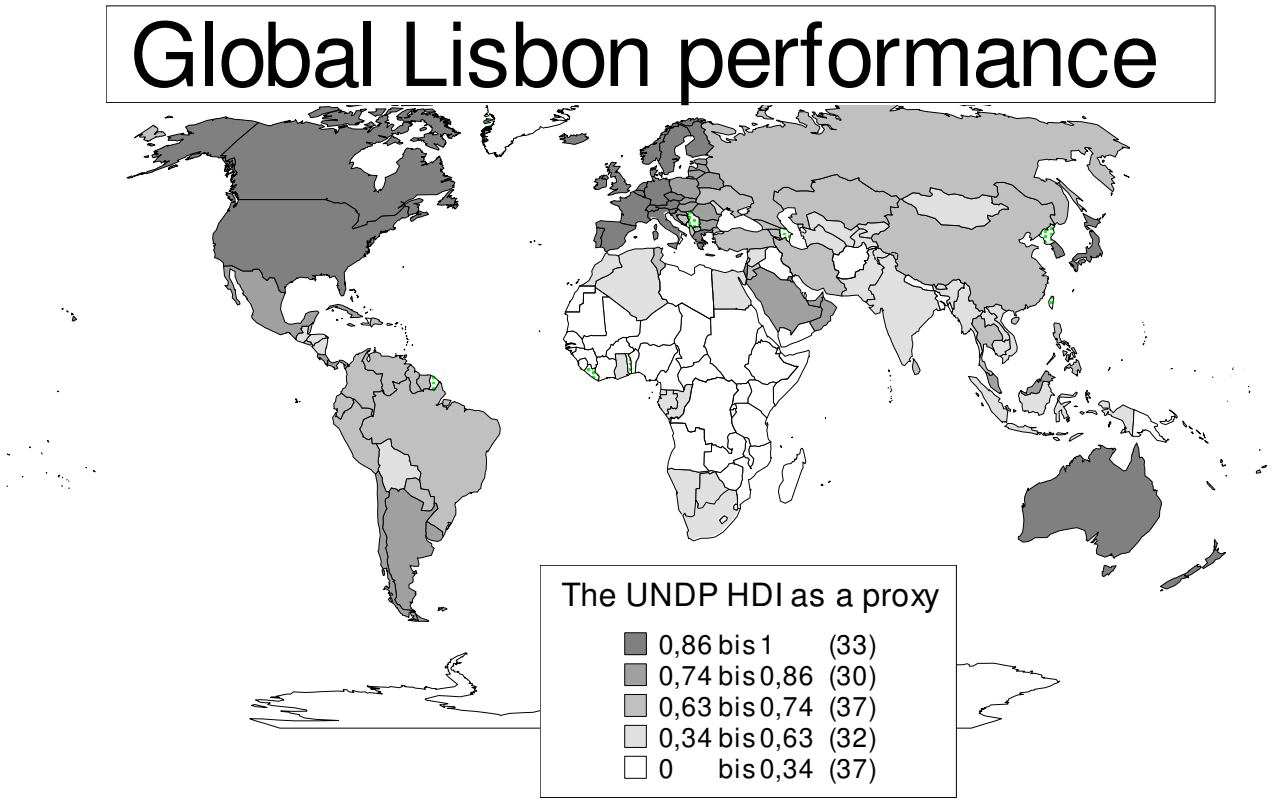
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, based on OECD.stats (http://stats.oecd.org/WBOS/index.aspx) and UNICEF data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, both accessed on December 30, 2008). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 5.3a: Lisbon performance in Europe – the direct 12 variable projection of all the Lisbon structural indicators with complete data for all EU-27 countries onto a UNDP-type performance scale, ranging from 0 to 1 (best value)



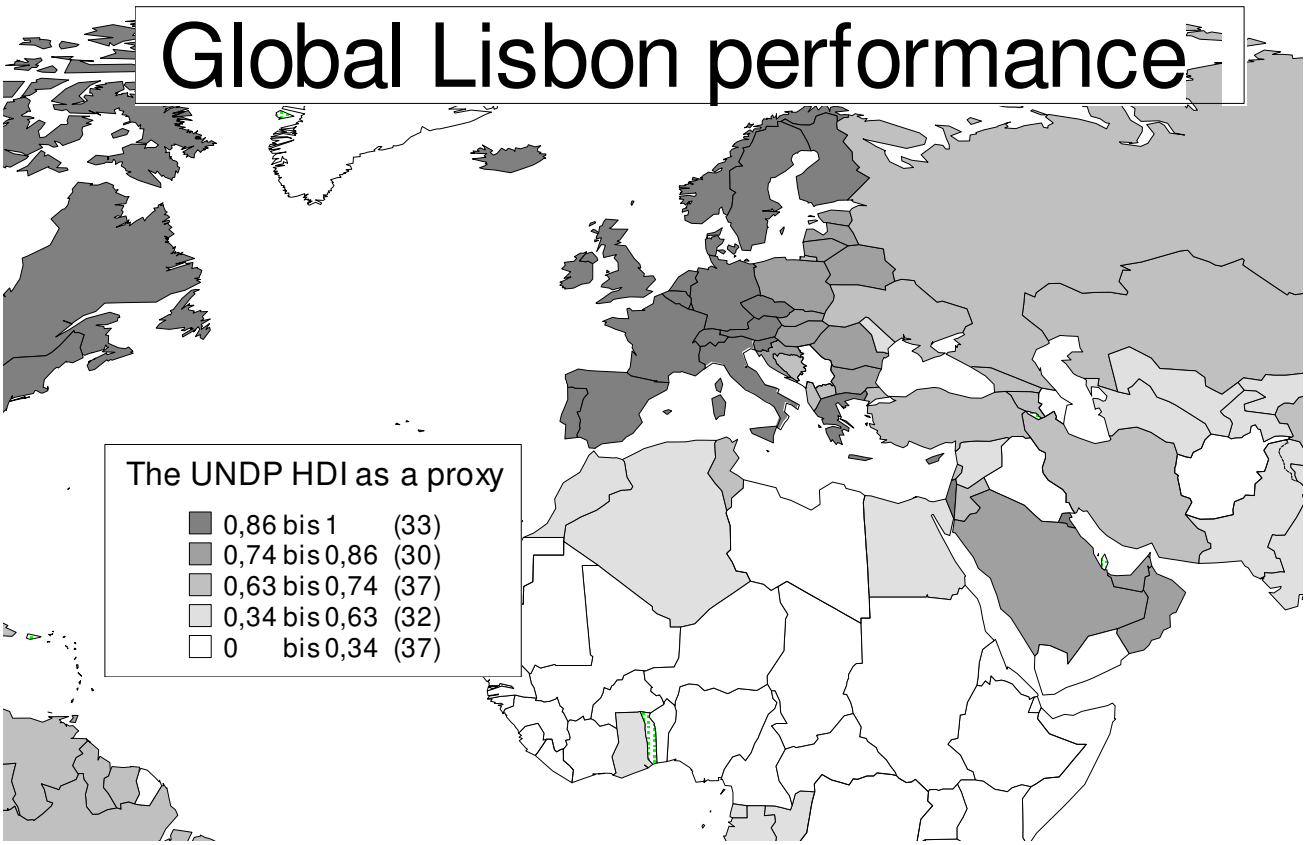
Source: our own compilations and calculations, based on Microsoft EXCEL 2000 and 2003, based **on Eurostat** data (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Map 5.3b: Lisbon strategy performance (the Human development index as a proxy) in the world sample



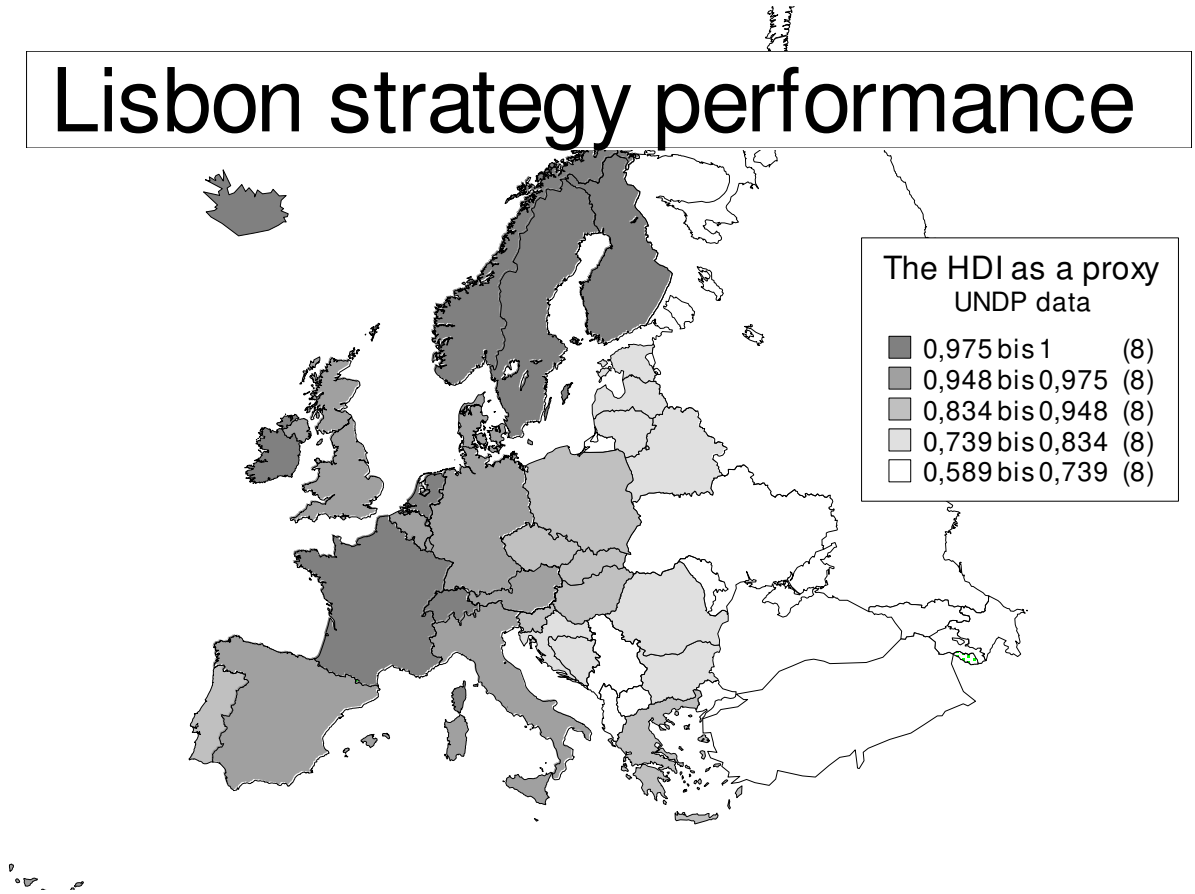
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on UNDP** (http://hdr.undp.org/en/statistics/data/). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to". Data of data access: January 12, 2009

Map 5.3: Lisbon strategy performance (the Human development index as a proxy) in the world sample



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on UNDP** (http://hdr.undp.org/en/statistics/data/). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to". Data of data access: January 12, 2009

Map 5.3: Lisbon performance in the wider Europe



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on UNDP** (http://hdr.undp.org/en/statistics/data/). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to". Data of data access: January 12, 2009

Table 5.5a: The trade-off between social policy efficiency and Lisbon Performance – the direct effects at the level of the EU-27, using OECD and UNICEF data for the dependent variables

	pearson corr with a Lisbon performance Index (calculated by using 12 Eurostat Lisbon Strategy indicators)	R^2
Efficiency parameters of the reduction of child poverty – a regression analytical approach –EU-27 countries (based on OECD data)	0,5851	34,237
residual - where the fight against child poverty is more(less) efficient than the general fight against general poverty (based on OECD data)	0,5148	26,503
Efficiency parameters of the reduction of poverty – a regression analytical approach –EU-27 countries (based on OECD data)	0,3155	9,951
Efficiency parameter of social spending in youth policy (based on the residuals of social spending->UNICEF combined factor analytical indicator)	0,1701	2,8923

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based on **UNDP** (http://hdr.undp.org/en/statistics/data/), **OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Table 5.5b: The trade-off between social policy efficiency and Lisbon Performance – the effect using the Human Development Index as a proxy for Lisbon performance, and using a sample integrating European and other western democracies, and using OECD and UNICEF data for the dependent variables

	pearson corr with the Human Development Index as a proxy for Lisbon Performance	R^2
Efficiency parameter of social spending in youth policy (based on the residuals of social spending->UNICEF combined factor analytical indicator)	0,441	19,464
residual - where the fight against child poverty is more(less) efficient than the general fight against general poverty (based on OECD data)	0,396	15,646
Efficiency parameters of the reduction of child poverty – a	0,308	9,494

regression analytical approach – OECD countries (based on OECD data)		
Efficiency parameters of the reduction of poverty – a regression analytical approach – OECD countries (based on OECD data)	-0,126	1,589

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based on **UNDP** (http://hdr.undp.org/en/statistics/data/), **OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Table 5.5c: The trade-off between social policy efficiency and Lisbon Performance – the direct effects at the level of the EU-27, using Eurostat data for the dependent variables

	pearson corr with the Lisbon performance Index (calculated by using 12 Eurostat Lisbon Strategy indicators)	R^2
Efficiency parameters of the reduction of overall poverty – a regression analytical approach –EU-27 countries (based on Eurostat data)	O,4445	19,76
residual - where the fight against child poverty is more(less) efficient than the general fight against general poverty (based on Eurostat data)	0,3081	9,49
Efficiency parameters of the reduction of child poverty – a regression analytical approach –EU-27 countries (based on Eurostat data)	0,3021	9,13

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based on **UNDP** (http://hdr.undp.org/en/statistics/data/), **OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Table 5.5d: The trade-off between social policy efficiency and Lisbon Performance – the direct effects at the level of the EU-27, using our results from UNICEF data for the independent variables and 12 Eurostat structural indicators for the Lisbon performance variable

	pearson corr with the Lisbon performance Index (calculated by using 12 Eurostat Lisbon Strategy indicators)	R^2
Efficiency indicator of social expenditures in bringing about UNICEF subjective well-being and peer relationships	0,6179	38,178
Efficiency indicator of social expenditures in bringing about UNICEF Education and social empowerment	0,6145	37,762
Efficiency indicator of social expenditures in bringing about overall UNICEF performance, compared with OECD social expenditures	0,1701	2,8923
Efficiency indicator of social expenditures in bringing about UNICEF climate of non-violence	-0,036	0,1285
Efficiency indicator of social expenditures in bringing about UNICEF European youth policy model	-0,274	7,4852
Efficiency indicator of social expenditures in bringing about UNICEF Lifestyle, social cohesion and social-economic status	-0,37	13,712

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based on **UNDP** (http://hdr.undp.org/en/statistics/data/), **OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Table 5.5e: The trade-off between child welfare and Lisbon Performance – the direct effects at the level of the EU-27, using our results from UNICEF data for the independent variables and 12 Eurostat structural indicators for the Lisbon performance variable

	pearson corr with the Lisbon performance Index (calculated by using 12 Eurostat Lisbon Strategy indicators)	R^2
subjective well-being and peer relationships	0,7244	52,479
Education and social empowerment	0,6655	44,29
overall UNICEF performance, compared with OECD social expenditures	0,3594	12,914
climate of non-violence	-0,06	0,3659
Lifestyle, social cohesion and social-economic status	-0,169	2,8429
European youth policy model	-0,178	3,1539

Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based on **UNDP** (http://hdr.undp.org/en/statistics/data/), **OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Appendix on overall poverty before and after social transfers; based on Eurostat figures, 2006

Overall poverty before and after social transfers: the analytical approach, based on regression residuals and Eurostat figures, 2006

	poverty before social transfers[8]	poverty situation after social transfers	predicted value (regression analysis: poverty before social transfers predicting poverty after social transfers)	Residual (measure how far the real value is away from the predicted value)	Poverty situation after transfers better than expected (in % points)
Sweden	29	12	16,83	-4,83	4,83
Czech Republic	22	10	14,73	-4,73	4,73
Denmark	28	12	16,53	-4,53	4,53
Netherlands	21	10	14,43	-4,43	4,43
Finland	29	13	16,83	-3,83	3,83
Slovenia	24	12	15,33	-3,33	3,33
Germany	26	13	15,93	-2,93	2,93
Austria	25	13	15,63	-2,63	2,63
France	25	13	15,63	-2,63	2,63
Slovakia	20	12	14,13	-2,13	2,13
Luxembourg	24	14	15,33	-1,33	1,33
Belgium	27	15	16,23	-1,23	1,23
Hungary	30	16	17,13	-1,13	1,13
Malta	22	14	14,73	-0,73	0,73
Ireland	33	18	18,03	-0,03	0,03
EU(25 countries)	26	16	15,93	0,07	-0,07
EA13	25	16	15,63	0,37	-0,37
Bulgaria	17	14	13,23	0,77	-0,77
Cyprus	22	16	14,73	1,27	-1,27
United Kingdom	30	19	17,13	1,87	-1,87
Poland	29	19	16,83	2,17	-2,17
Estonia	25	18	15,63	2,37	-2,37
Portugal	25	18	15,63	2,37	-2,37
Romania	24	19	15,33	3,67	-3,67
Lithuania	27	20	16,23	3,77	-3,77
Italy	24	20	15,33	4,67	-4,67
Spain	24	20	15,33	4,67	-4,67
Greece	23	21	15,03	5,97	-5,97
Latvia	28	23	16,53	6,47	-6,47

[8] At the usual 60% of median income threshold.

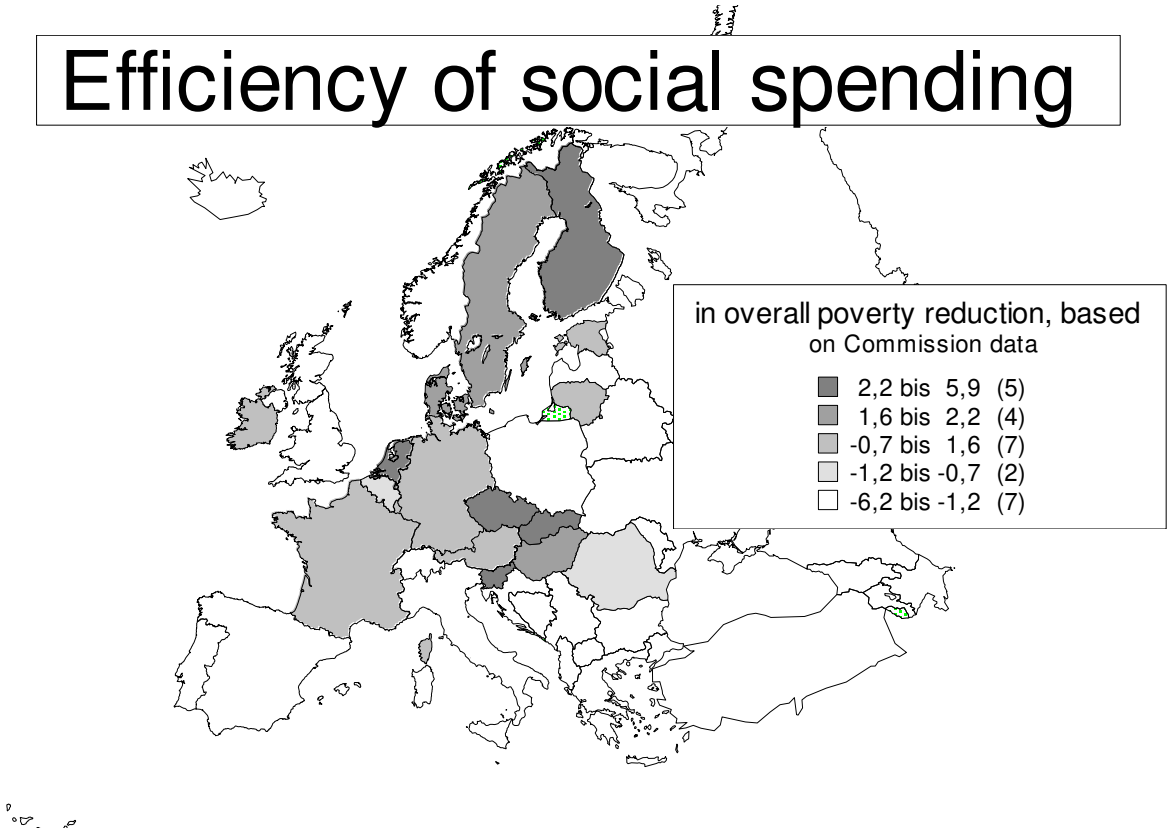
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

The real efficiency of social expenditures in Europe, based on Eurostat data

	Social expenditures per GDP	Poverty situation after transfers better than expected (in % points)	predicted value (linear regression: expenditures -> improvement of the social situation)	residual (efficiency of social expenditures)
Czech R	19,3	4,73	-1,17	5,90
Slovak R	17,3	2,13	-1,80	3,93
Slovenia	23,7	3,33	0,22	3,11
Netherlands	28,3	4,43	1,68	2,75
Finland	26,6	3,83	1,14	2,69
Malta	18,4	0,73	-1,45	2,18
Denmark	30,9	4,53	2,50	2,03
Hungary	20,7	1,13	-0,72	1,86
Sweden	32,7	4,83	3,07	1,76
Luxembourg	22,3	1,33	-0,22	1,55
Ireland	18,2	0,03	-1,52	1,55
Germany	29,6	2,93	2,09	0,84
Estonia	13,1	-2,37	-3,13	0,76
Austria	**29,0**	**2,63**	**1,90**	**0,73**
Cyprus	17,8	-1,27	-1,64	0,37
France	**31,3**	**2,63**	**2,63**	**0,00**
Lithuania	13,3	-3,77	-3,07	-0,70
Belgium	29,3	1,23	2,00	-0,76
Romania	15,1	-3,67	-2,50	-1,17
Poland	20,1	-2,17	-0,91	-1,25
EU25	27,3	-0,07	1,36	-1,43
EA13	27,8	-0,37	1,52	-1,89
Portugal	24,7	-2,37	0,54	-2,91
UK	26,3	-1,87	1,05	-2,92
Latvia	12,9	-6,47	-3,19	-3,28
Spain	20,6	-4,67	-0,76	-3,91
Italy	26,0	-4,67	0,95	-5,62
Greece	23,6	-5,97	0,19	-6,16

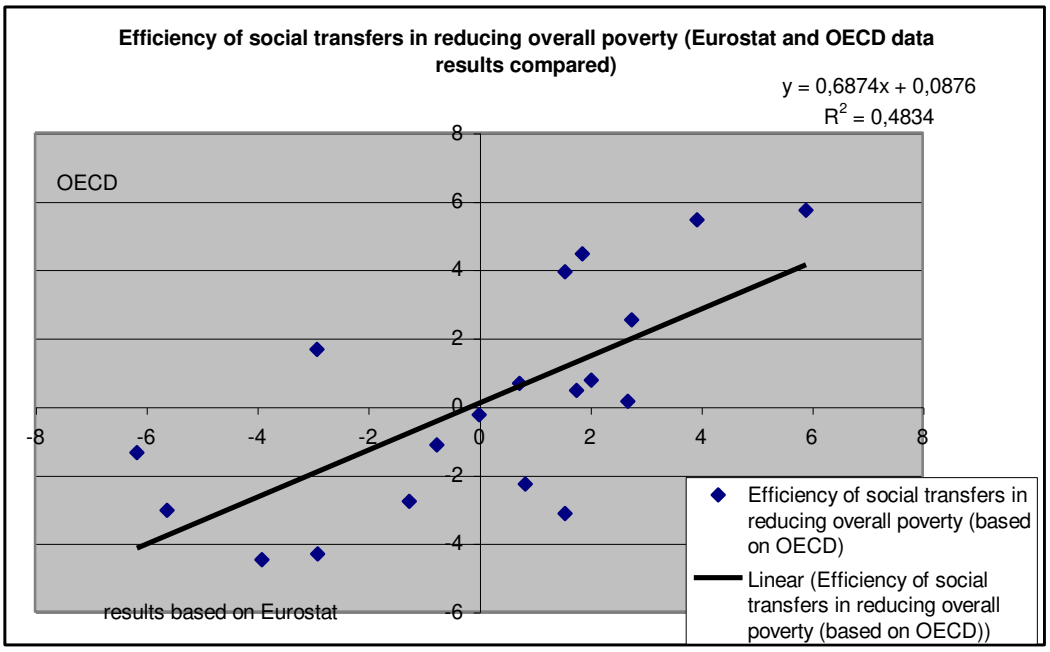
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Map: the efficiency of social spending in overall poverty reduction, based on Commission data



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Graph: The comparison of the efficiency of overall poverty reduction, calculated by Eurostat data and the efficiency of overall poverty reduction, calculated by OECD data



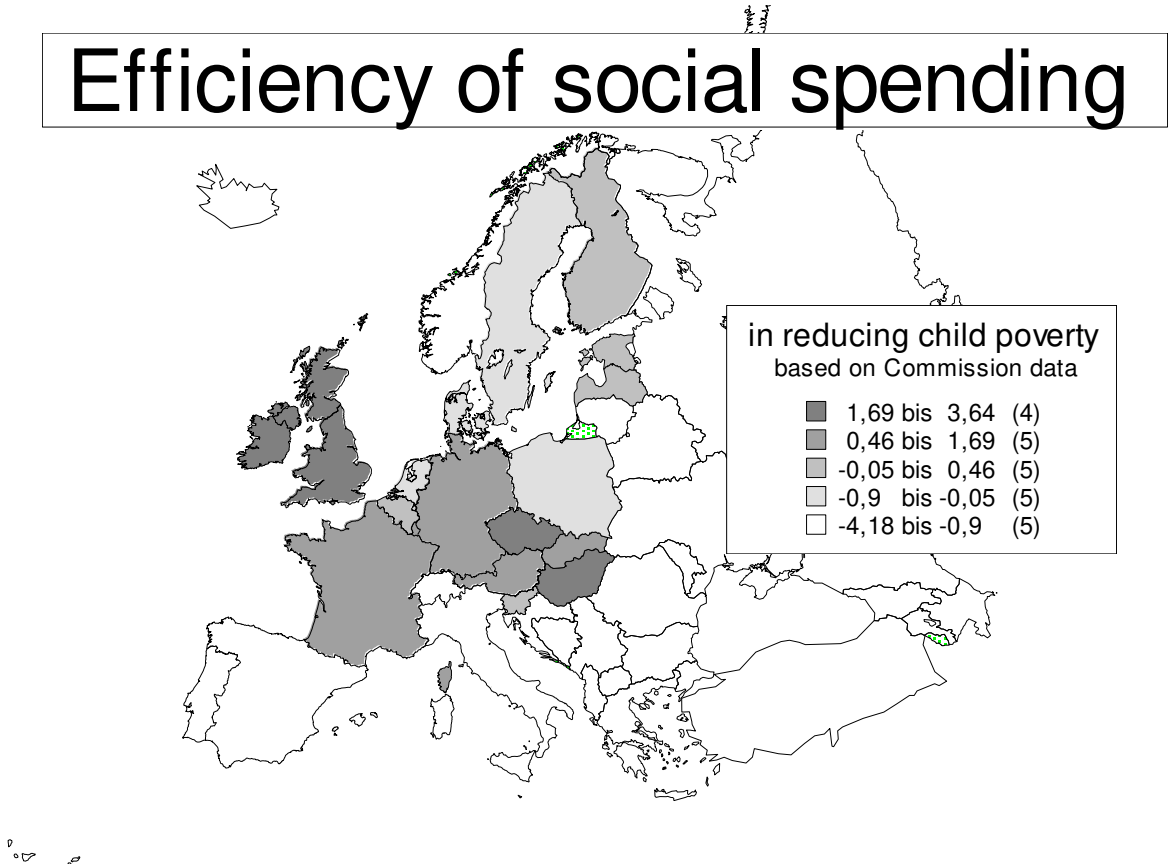
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

The efficiency of child poverty reduction in the European Union, based on Eurostat data

	Social expenditures per GDP	Child poverty rate after social transfers	% of poor children, lifted out of poverty by social transfers	implied risk of poverty rate before social transfers	trend value, % poor children after social transfers	poverty better or worse than expected by the trend	trend value, predicted by social transfers	efficiency of social transfers in reducing child poverty
Austria	29,00	15,00	58,00	23,70	16,87	1,87	0,55	1,31
Belgium	29,30	18,00	42,00	25,56	18,54	0,54	0,58	-0,05
Cyprus	17,80	13,00	35,00	17,55	11,35	-1,65	-0,49	-1,16
Czech R	19,30	18,00	47,00	26,46	19,34	1,34	-0,35	1,69
Denmark	30,90	10,00	60,00	16,00	9,96	-0,04	0,73	-0,77
Estonia	13,10	21,00	32,00	27,72	20,47	-0,53	-0,92	0,40
Finland	26,60	10,00	68,00	16,80	10,68	0,68	0,33	0,35
France	31,30	14,00	59,00	22,26	15,58	1,58	0,77	0,81
Germany	29,60	14,00	55,00	21,70	15,07	1,07	0,61	0,46
Greece	23,60	20,00	13,00	22,60	15,88	-4,12	0,05	-4,17
Hungary	20,70	20,00	55,00	31,00	23,42	3,42	-0,22	3,63
Ireland	18,20	23,00	43,00	32,89	25,11	2,11	-0,45	2,56
Italy	26,00	24,00	23,00	29,52	22,09	-1,91	0,28	-2,19
Latvia	12,90	22,00	29,00	28,38	21,07	-0,93	-0,94	0,01
Lithuania	13,30	27,00	21,00	32,67	24,91	-2,09	-0,91	-1,18
Luxembourg	22,30	19,00	46,00	27,74	20,49	1,49	-0,07	1,56
Malta	18,40	22,00	27,00	27,94	20,67	-1,33	-0,43	-0,90
Netherlands	28,30	15,00	46,00	21,90	15,25	0,25	0,49	-0,24
Poland	20,10	29,00	26,00	36,54	28,39	-0,61	-0,27	-0,34
Portugal	24,70	24,00	23,00	29,52	22,09	-1,91	0,15	-2,07
Slovak R	17,30	19,00	37,00	26,03	18,96	-0,04	-0,53	0,49
Slovenia	23,70	12,00	57,00	18,84	12,51	0,51	0,06	0,45
Spain	20,60	24,00	17,00	28,08	20,80	-3,20	-0,23	-2,98
Sweden	32,70	9,00	74,00	15,66	9,65	0,65	0,90	-0,24
UK	26,30	21,00	50,00	31,50	23,86	2,86	0,30	2,56

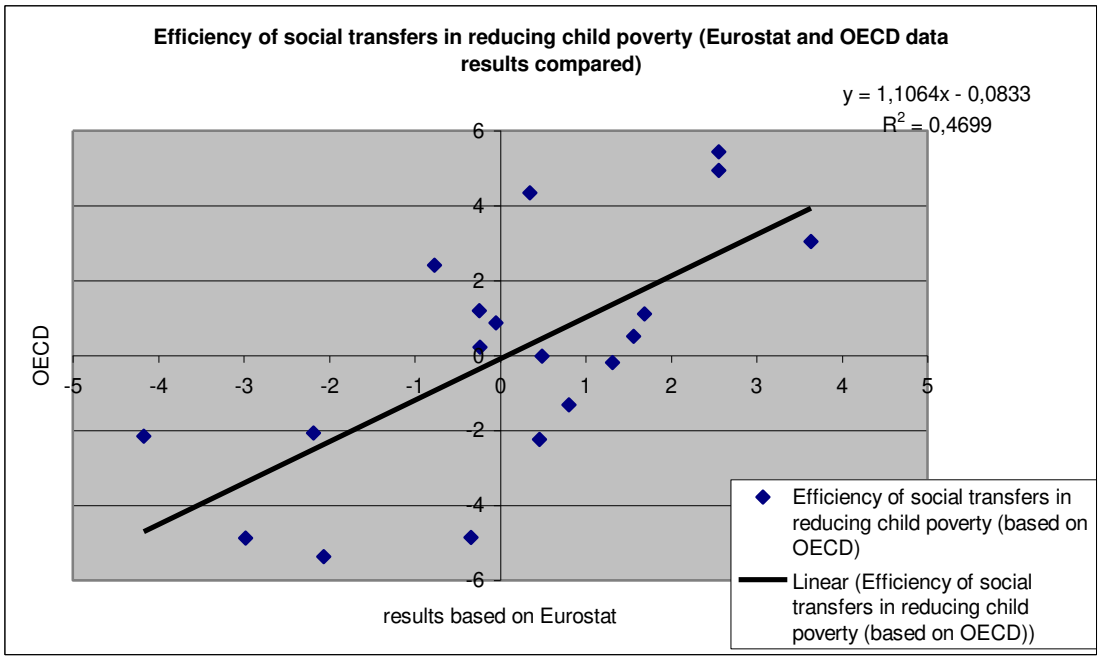
Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Map: the efficiency of social spending in child and youth poverty reduction, based Commission data



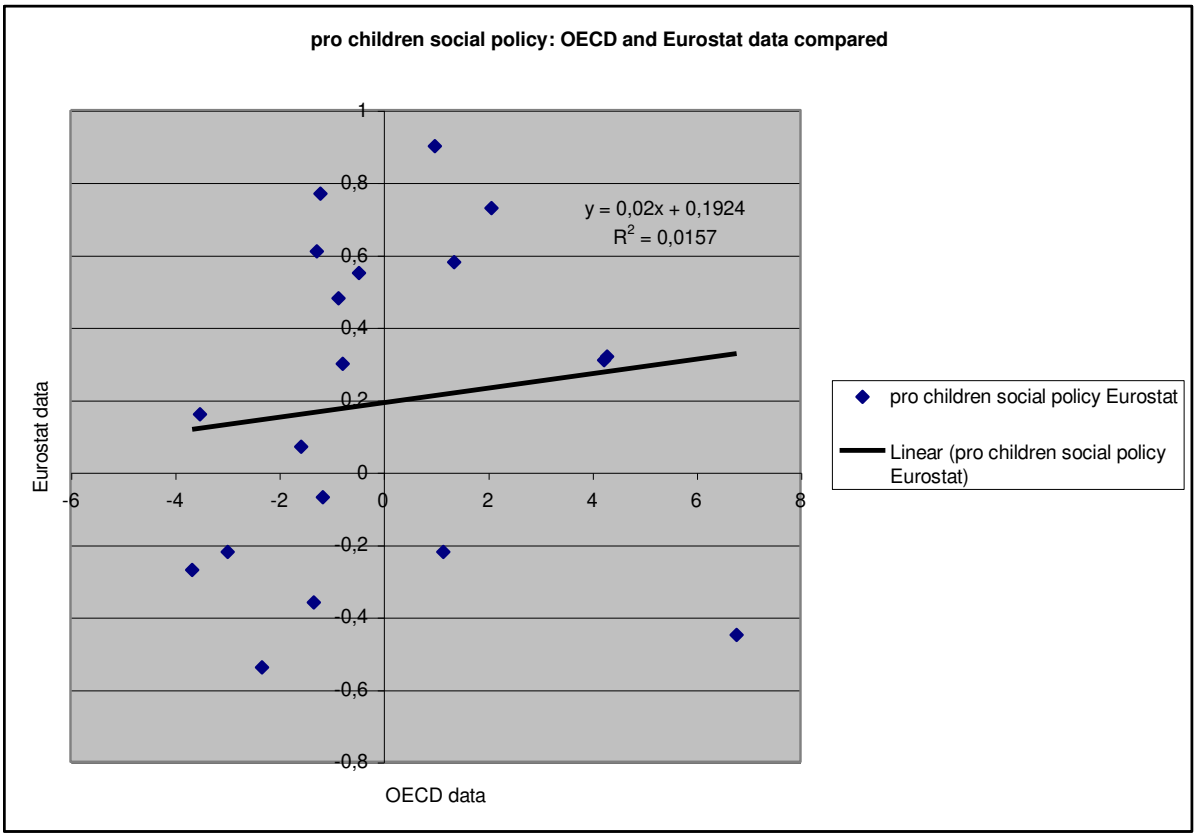
Source: our own compilations and calculations, based on Microsoft EXCEL 2000 and 2003, based **on Eurostat** data (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL). Countries marked in green color: no data available. "Bis" is shorthand for "ranging from … to"

Graph: The comparison of the efficiency of child poverty reduction, calculated by Eurostat data and the efficiency of child poverty reduction, calculated by OECD data



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Graph: Comparing the pro-children bias of social policy, calculated by OECD data and Eurostat data



Source: our own compilations and calculations, based on SPSS XIV, Computing Center, Innsbruck University, and Microsoft EXCEL 2000 and 2003, based **on OECD.stats** (http://stats.oecd.org/WBOS/index.aspx), **Eurostat** (http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL) and **UNICEF** data (http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=445, all accessed on December 30, 2008). In addition, we also used the European Commission publications **ECFIN/E3(2007)/REP/50604** and ***"Child Poverty and Well-Being in the EU: Current status and way forward"*** downloadable at http://www.libertysecurity.org/article1937.html , and Peter Herrmann *et al.* *"Efficiency and Effectiveness of Social Spending"*, **IZA DP No. 3482, 2008**, available at http://www.iza.org/index_html?lang=de&mainframe=http%3A//www.iza.org/de/webcontent/publications/papers/viewAbstract%3Fdp_id%3D3482&topSelect=publications&subSelect=papers (accessed on January 13, 2009)

Lisbon Performance in the European Union

1. GDP per capita in PPS
2. Labour productivity
3. Employment rate
4. Employment rate of older workers
5. Youth education attainment level by gender
6. Gross domestic expenditure on R&D
7. Comparative price levels
8. Business investment
9. At risk-of-poverty rate after social transfers
10. Long-term unemployment rate
11. Dispersion of regional employment rates (dropped due to missing data)
12. Greenhouse gas emissions
13. Energy intensity of the economy
14. Volume of freight transport relative to GDP (dropped due to missing data)

Source: our own calculations, based on http://hdr.undp.org/en/statistics/data/, and http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL accessed on January 13, 2009

The Lisbon indicators, last complete available time series

Lisbon indicator series	1	2	3	4	5	6	8
short variable name	GDP per capita in PPS	Labour Productivity	Employment rate	Employment rate of older workers	Youth education attainment level	Gross domestic expenditure on R&D	Business investment
year of measurement	2007	2007	2007	2007	2007	2006	2007
Austria	124	115,2	71,4	38,6	84,1	2,46	21,2
Belgium	118,2	130	62	34,4	82,6	1,88	20
Bulgaria	37,3	34,9	61,7	42,6	83,3	0,48	25
Cyprus	90,7	83,7	71	55,9	85,8	0,43	18,5
Czech Republic	80,2	71,9	66,1	46	91,8	1,55	19,6
Denmark	120,1	102,3	77,1	58,6	70,8	2,46	20,4
Estonia	68	62,1	69,4	60	80,9	1,15	27
Finland	115,9	111,2	70,3	55	86,5	3,45	17,7
France	109,2	122,1	64,6	38,3	82,4	2,1	18,2
Germany	114,8	107,4	69,4	51,5	72,5	2,54	17,2
Greece	94,9	102,1	61,4	42,4	82,1	0,57	19,5
Hungary	62,6	73	57,3	33,1	84	1	17,5
Ireland	150,4	140	69,1	53,8	86,7	1,3	22,2
Italy	101,5	108,1	58,7	33,8	76,3	1,14	18,7
Latvia	54,7	50,6	68,3	57,7	80,2	0,7	26,9
Lithuania	59,5	60	64,9	53,4	89	0,79	22,8
Luxembourg	266,5	173,5	64,2	32	70,9	1,66	15,9
Malta	77,8	90,5	54,6	28,5	55,5	0,64	15,8

Netherlands	131	112,6	76	50,9	76,2	1,71	16,6
Poland	53,4	66,9	57	29,7	91,6	0,56	17,6
Portugal	76,2	71,3	67,8	50,9	53,4	1	19,5
Romania	42,2	43,8	58,8	41,4	77,4	0,45	24,8
Slovakia	67	75,1	60,7	35,6	91,3	0,49	24,2
Slovenia	89,3	84,7	67,8	33,5	91,5	1,56	23,8
Spain	105,5	103,7	65,6	44,6	61,1	1,2	27,2
Sweden	122,2	111,9	74,2	70	87,2	3,74	15,9
United Kingdom	119,2	112,1	71,5	57,4	78,1	1,76	16

Source: our own calculations, based on http://hdr.undp.org/en/statistics/data/, and http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL accessed on January 13, 2009

The Lisbon indicators, last complete available time series

Reversed Lisbon indicator series	7	9	10	12	13
short variable name	Comparative economic price level	At risk of poverty rate after social transfers	long-term unemployment	Greenhouse gas emissions	Energy intensity
year of measurement	2007, reversal necessary	2006, reversal necessary	2007, reversal necessary	2006, reversal necessary	2006, reversal necessary
Austria	101,4	13	1,2	115,2	145,01
Belgium	106,3	15	3,8	94	218,54
Bulgaria	46,5	14	4,1	53,8	1554
Cyprus	88,8	16	0,7	166	250,82
Czech Republic	62,4	10	2,8	76,3	794,84
Denmark	137,7	12	0,6	101,7	118,05
Estonia	71,5	18	2,3	44,3	848,28
Finland	122,5	13	1,6	113,1	252,53
France	108,3	13	3,3	96	179,06
Germany	103,1	13	4,7	81,5	154,75
Greece	89,4	21	4,1	124,4	204,66
Hungary	66,1	16	3,4	68,1	521,03
Ireland	124,5	18	1,4	125,5	139,25
Italy	103,9	20	2,9	109,9	185
Latvia	65,8	23	1,6	44,9	563,22
Lithuania	59,6	20	1,4	47	861,85
Luxembourg	112,4	14	1,2	101,2	173,8
Malta	73,3	14	2,7	145	239,76
Netherlands	103,4	10	1,3	97,4	188,39
Poland	63,7	19	4,9	71,1	573,97
Portugal	84,6	18	3,8	138,3	225,14
Romania	61,5	19	3,2	56,3	1128
Slovakia	63,5	12	8,3	67,9	772,24

Slovenia	77,8	12	2,2	101,2	299,09
Spain	92,4	20	1,7	149,5	211,33
Sweden	117,3	12	0,9	91,1	188,34
United Kingdom	110,3	19	1,3	84	193,25

Source: our own calculations, based on http://hdr.undp.org/en/statistics/data/, and http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL accessed on January 13, 2009

Lisbon component indices

Lisbon indicator series	1	2	3	4	5	6	8
UNDP type component index	GDP per capita in PPS	Labour Productivity	Employment rate	Employment rate of older workers	Youth education attainment level	Gross domestic expenditure on R&D	Business investment
year of measurement	2007	2007	2007	2007	2007	2006	2007
Austria	0,3783	0,5794	0,7467	0,2434	0,7995	0,6133	0,4737
Belgium	0,353	0,6861	0,3289	0,1422	0,7604	0,4381	0,3684
Bulgaria	**0**	**0**	0,3156	0,3398	0,7786	0,0151	0,807
Cyprus	0,233	0,3521	0,7289	0,6602	0,8438	**0**	0,2368
Czech Republic	0,1872	0,267	0,5111	0,4217	**1**	0,3384	0,3333
Denmark	0,3613	0,4863	**1**	0,7253	0,4531	0,6133	0,4035
Estonia	0,1339	0,1962	0,6578	0,759	0,7161	0,2175	0,9825
Finland	0,3429	0,5505	0,6978	0,6386	0,862	0,9124	0,1667
France	0,3137	0,6291	0,4444	0,2361	0,7552	0,5045	0,2105
Germany	0,3381	0,5231	0,6578	0,5542	0,4974	0,6375	0,1228
Greece	0,2513	0,4848	0,3022	0,3349	0,7474	0,0423	0,3246
Hungary	0,1104	0,2749	0,12	0,1108	0,7969	0,1722	0,1491
Ireland	0,4935	0,7583	0,6444	0,6096	0,8672	0,2628	0,5614
Italy	0,2801	0,5281	0,1822	0,1277	0,5964	0,2145	0,2544
Latvia	0,0759	0,1133	0,6089	0,7036	0,6979	0,0816	0,9737
Lithuania	0,0969	0,1811	0,4578	0,6	0,9271	0,1088	0,614
Luxembourg	**1**	**1**	0,4267	0,0843	0,4557	0,3716	0,0088
Malta	0,1767	0,4012	**0**	**0**	0,0547	0,0634	**0**
Netherlands	0,4088	0,5606	0,9511	0,5398	0,5938	0,3867	0,0702
Poland	0,0702	0,2309	0,1067	0,0289	0,9948	0,0393	0,1579
Portugal	0,1697	0,2626	0,5867	0,5398	**0**	0,1722	0,3246
Romania	0,0214	0,0642	0,1867	0,3108	0,625	0,006	0,7895
Slovakia	0,1296	0,29	0,2711	0,1711	0,987	0,0181	0,7368
Slovenia	0,2269	0,3593	0,5867	0,1205	0,9922	0,3414	0,7018
Spain	0,2976	0,4964	0,4889	0,388	0,2005	0,2326	**1**
Sweden	0,3704	0,5556	0,8711	1	0,8802	**1**	0,0088
United Kingdom	0,3573	0,557	0,7511	0,6964	0,6432	0,4018	0,0175

Source: our own calculations, based on http://hdr.undp.org/en/statistics/data/, and http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL accessed on January 13, 2009

Lisbon component indices

Reversed Lisbon indicator series	7	9	10	12	13
UNDP type component index	Comparative economic price level	At risk of poverty rate after social transfers	long-term unemployment	Greenhouse gas emissions	Energy intensity
year of measurement	2007, reversal necessary	2006, reversal necessary	2007, reversal necessary	2006, reversal necessary	2006, reversal necessary
Austria	0,398026	0,769231	0,922078	0,41742	0,981225
Belgium	0,344298	0,615385	0,584416	0,591619	0,930019
Bulgaria	**1**	0,692308	0,545455	0,921939	**0**
Cyprus	0,536184	0,538462	0,987013	**0**	0,907539
Czech Republic	0,825658	**1**	0,714286	0,737058	0,528685
Denmark	**0**	0,846154	**1**	0,528348	**1**
Estonia	0,725877	0,384615	0,779221	**1**	0,491469
Finland	0,166667	0,769231	0,87013	0,434675	0,906348
France	0,322368	0,769231	0,649351	0,575185	0,957513
Germany	0,379386	0,769231	0,467532	0,69433	0,974442
Greece	0,529605	0,153846	0,545455	0,341824	0,939685
Hungary	0,785088	0,538462	0,636364	0,804437	0,719365
Ireland	0,144737	0,384615	0,896104	0,332786	0,985236
Italy	0,370614	0,230769	0,701299	0,46097	0,953376
Latvia	0,788377	**0**	0,87013	0,99507	0,689984
Lithuania	0,85636	0,230769	0,896104	0,977814	0,482019
Luxembourg	0,277412	0,692308	0,922078	0,532457	0,961176
Malta	0,70614	0,692308	0,727273	0,172555	0,915241
Netherlands	0,376096	**1**	0,909091	0,563681	0,951015
Poland	0,811404	0,307692	0,441558	0,779786	0,682498
Portugal	0,582237	0,384615	0,584416	0,227609	0,925423
Romania	0,835526	0,307692	0,662338	0,901397	0,296666
Slovakia	0,813596	0,846154	**0**	0,806081	0,544423
Slovenia	0,656798	0,846154	0,792208	0,532457	0,873924
Spain	0,496711	0,230769	0,857143	0,135579	0,93504
Sweden	0,223684	0,846154	0,961039	0,615448	0,95105
United Kingdom	0,300439	0,307692	0,909091	0,673788	0,947631

Source: our own calculations, based on http://hdr.undp.org/en/statistics/data/, and http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL accessed on January 13, 2009

Final Lisbon ranking, EU-27

UNDP type component index	**12 indicators**
year of measurement	**2006/2007**
Sweden	0,690
Denmark	0,618
Austria	0,610
Finland	0,610
Netherlands	0,609
Estonia	0,587
Slovenia	0,586
Ireland	0,578
Czech Republic	0,572
Luxembourg	0,561
Germany	0,551
Latvia	0,550
United Kingdom	0,547
Lithuania	0,536
France	0,531
Belgium	0,512
Cyprus	0,502
Spain	0,480
Slovakia	0,468
Bulgaria	0,451
Hungary	0,435
Romania	0,417
Greece	0,416
Italy	0,408
Portugal	0,397
Poland	0,388
Malta	0,326

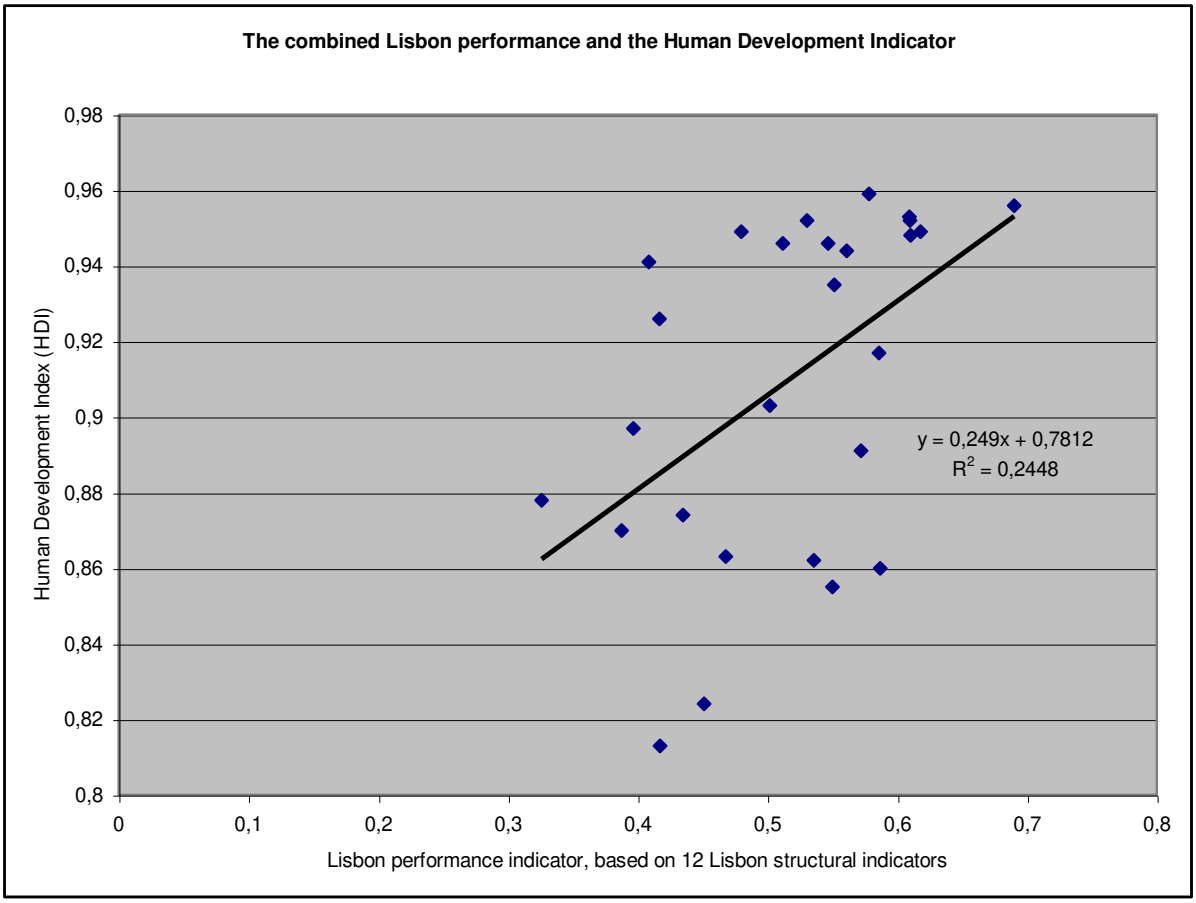
Source: our own calculations, based on http://hdr.undp.org/en/statistics/data/, and http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL accessed on January 13, 2009

The Lisbon performance and the human development performance

	UNDP type component index: Lisbon Process	UNDP HDI
Austria	0,61017616	0,948
Belgium	0,51190099	0,946
Bulgaria	0,45131543	0,824
Cyprus	0,50199971	0,903
Czech Republic	0,5720262	0,891
Denmark	0,61810653	0,949
Estonia	0,58702612	0,86
Finland	0,60982105	0,952
France	0,53061261	0,952
Germany	0,55131684	0,935
Greece	0,41649898	0,926
Hungary	0,43483648	0,874
Ireland	0,57839539	0,959
Italy	0,40837047	0,941
Latvia	0,54986903	0,855
Lithuania	0,53572324	0,862
Luxembourg	0,56104474	0,944
Malta	0,3257921	0,878
Netherlands	0,60923382	0,953
Poland	0,38763391	0,87
Portugal	0,39665325	0,897
Romania	0,41726976	0,813
Slovakia	0,46783518	0,863
Slovenia	0,58585037	0,917
Spain	0,47993175	0,949
Sweden	0,69028673	0,956
United Kingdom	0,54692095	0,946

Source: our own calculations, based on http://hdr.undp.org/en/statistics/data/, and http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL accessed on January 13, 2009

The Lisbon performance and the human development performance



Source: our own calculations, based on http://hdr.undp.org/en/statistics/data/, and http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1133,47800773,1133_47802588&_dad=portal&_schema=PORTAL accessed on January 13, 2009

Lisbon Performance on a global scale

	Income convergence (real economic growth GDP per capita, 1990-2005)	Human Development Index, 2005	growth index	re-calculated HDI	combined HDI + growth
Albania	5,2	0,801	0,513	0,736	0,625
Algeria	1,1	0,733	0,338	0,628	0,483
Angola	1,5	0,446	0,355	0,174	0,265
Antigua and Barbuda	1,5	0,815	0,355	0,758	0,557
Argentina	1,1	0,869	0,338	0,843	0,591
Armenia	4,4	0,775	0,479	0,695	0,587
Australia	2,5	0,962	0,397	0,991	0,694
Austria	1,9	0,948	0,372	0,968	0,67
Bahamas	0,4	0,845	0,308	0,805	0,557
Bahrain	2,3	0,866	0,389	0,839	0,614
Bangladesh	2,9	0,547	0,415	0,334	0,375
Barbados	1,5	0,892	0,355	0,88	0,618
Belarus	2,2	0,804	0,385	0,741	0,563
Belgium	1,7	0,946	0,363	0,965	0,664
Belize	2,3	0,778	0,389	0,699	0,544
Benin	1,4	0,437	0,35	0,16	0,255
Bhutan	5,6	0,579	0,53	0,384	0,457
Bolivia	1,3	0,695	0,346	0,568	0,457
Bosnia and Herzegovina	12,7	0,803	0,833	0,739	0,786
Botswana	4,8	0,654	0,496	0,503	0,5
Brazil	1,1	0,8	0,338	0,734	0,536
Brunei Darussalam	-0,8	0,894	0,256	0,883	0,57
Bulgaria	1,5	0,824	0,355	0,772	0,564
Burkina Faso	1,3	0,37	0,346	0,054	0,2
Burundi	-2,8	0,413	0,171	0,122	0,147
Cambodia	5,5	0,598	0,526	0,415	0,471
Cameroon	0,6	0,532	0,316	0,31	0,313
Canada	2,2	0,961	0,385	0,989	0,687
Cape Verde	3,4	0,736	0,436	0,633	0,535
Central African Republic	-0,6	0,384	0,265	0,076	0,171
Chad	1,7	0,388	0,363	0,082	0,223
Chile	3,8	0,867	0,453	0,84	0,647
China	8,8	0,777	0,667	0,698	0,683
Colombia	0,6	0,791	0,316	0,72	0,518
Comoros	-0,4	0,561	0,274	0,356	0,315

Congo	-1	0,548	0,248	0,335	0,292
Congo (Democratic Republic of the)	-5,2	0,411	0,068	0,119	0,094
Costa Rica	2,3	0,846	0,389	0,807	0,598
Côte d'Ivoire	-0,5	0,432	0,269	0,152	0,211
Croatia	2,6	0,85	0,402	0,813	0,608
Cuba	3,5	0,838	0,44	0,794	0,617
Cyprus	2,3	0,903	0,389	0,897	0,643
Czech Republic	1,9	0,891	0,372	0,878	0,625
Denmark	1,9	0,949	0,372	0,97	0,671
Djibouti	-2,7	0,516	0,175	0,285	0,23
Dominica	1,3	0,798	0,346	0,731	0,539
Dominican Republic	3,9	0,779	0,457	0,701	0,579
Ecuador	0,8	0,772	0,325	0,69	0,508
Egypt	2,4	0,708	0,393	0,589	0,491
El Salvador	1,6	0,735	0,359	0,631	0,495
Equatorial Guinea	16,6	0,642	1	0,484	0,742
Eritrea	0,3	0,483	0,303	0,233	0,268
Estonia	4,2	0,86	0,47	0,829	0,65
Ethiopia	1,5	0,406	0,355	0,111	0,233
Fiji	1,4	0,762	0,35	0,674	0,512
Finland	2,5	0,952	0,397	0,975	0,686
France	1,6	0,952	0,359	0,975	0,667
Gabon	-0,4	0,677	0,274	0,54	0,407
Gambia	0,1	0,502	0,295	0,263	0,279
Georgia	0,2	0,754	0,299	0,661	0,48
Germany	1,4	0,935	0,35	0,948	0,649
Ghana	2	0,553	0,376	0,343	0,36
Greece	2,5	0,926	0,397	0,934	0,666
Grenada	2,5	0,777	0,397	0,698	0,548
Guatemala	1,3	0,689	0,346	0,559	0,453
Guinea	1,2	0,456	0,342	0,19	0,266
Guinea-Bissau	-2,6	0,374	0,179	0,06	0,12
Guyana	3,2	0,75	0,427	0,655	0,541
Haiti	-2	0,529	0,205	0,305	0,255
Honduras	0,5	0,7	0,312	0,576	0,444
Hong Kong, China (SAR)	2,4	0,937	0,393	0,951	0,672
Hungary	3,1	0,874	0,423	0,851	0,637
Iceland	2,2	0,968	0,385	1	0,693
India	4,2	0,619	0,47	0,448	0,459
Indonesia	2,1	0,728	0,38	0,62	0,5
Iran (Islamic Republic of)	2,3	0,759	0,389	0,669	0,529
Ireland	6,2	0,959	0,556	0,986	0,771
Israel	1,5	0,932	0,355	0,943	0,649

Italy	1,3	0,941	0,346	0,957	0,652
Jamaica	0,7	0,736	0,321	0,633	0,477
Japan	0,8	0,953	0,325	0,976	0,651
Jordan	1,6	0,773	0,359	0,691	0,525
Kazakhstan	2	0,794	0,376	0,725	0,551
Kenya	-0,1	0,521	0,286	0,293	0,29
Korea (Republic of)	4,5	0,921	0,483	0,926	0,705
Kuwait	0,6	0,891	0,316	0,878	0,597
Kyrgyzstan	-1,3	0,696	0,235	0,57	0,403
Lao People's Democratic Republic	3,8	0,601	0,453	0,419	0,436
Latvia	3,6	0,855	0,444	0,821	0,633
Lebanon	2,8	0,772	0,41	0,69	0,55
Lesotho	2,3	0,549	0,389	0,337	0,363
Lithuania	1,9	0,862	0,372	0,832	0,602
Luxembourg	3,3	0,944	0,432	0,962	0,697
Macedonia (TFYR)	-0,1	0,801	0,286	0,736	0,511
Madagascar	-0,7	0,533	0,261	0,312	0,287
Malawi	1	0,437	0,333	0,16	0,247
Malaysia	3,3	0,811	0,432	0,752	0,592
Maldives	3,8	0,741	0,453	0,641	0,547
Mali	2,2	0,38	0,385	0,07	0,228
Malta	2,7	0,878	0,406	0,858	0,632
Mauritania	0,3	0,55	0,303	0,339	0,321
Mauritius	3,8	0,804	0,453	0,741	0,597
Mexico	1,5	0,829	0,355	0,78	0,568
Moldova	-3,5	0,708	0,141	0,589	0,365
Mongolia	2,2	0,7	0,385	0,576	0,481
Morocco	1,5	0,646	0,355	0,491	0,423
Mozambique	4,3	0,384	0,474	0,076	0,275
Myanmar	6,6	0,583	0,573	0,391	0,482
Namibia	1,4	0,65	0,35	0,497	0,424
Nepal	2	0,534	0,376	0,313	0,345
Netherlands	1,9	0,953	0,372	0,976	0,674
New Zealand	2,1	0,943	0,38	0,96	0,67
Nicaragua	1,8	0,71	0,368	0,592	0,48
Niger	-0,5	0,374	0,269	0,06	0,165
Nigeria	0,8	0,47	0,325	0,212	0,269
Norway	2,7	0,968	0,406	1	0,703
Occupied Palestinian Territories	-2,9	0,731	0,167	0,625	0,396
Oman	1,8	0,814	0,368	0,756	0,562
Pakistan	1,3	0,551	0,346	0,34	0,343
Panama	2,2	0,812	0,385	0,753	0,569
Papua New Guinea	0,2	0,53	0,299	0,307	0,303
Paraguay	-0,6	0,755	0,265	0,663	0,464

Peru	2,2	0,773	0,385	0,691	0,538
Philippines	1,6	0,771	0,359	0,688	0,524
Poland	4,3	0,87	0,474	0,845	0,66
Portugal	2,1	0,897	0,38	0,888	0,634
Romania	1,6	0,813	0,359	0,755	0,557
Russian Federation	-0,1	0,802	0,286	0,737	0,512
Rwanda	0,1	0,452	0,295	0,184	0,24
Saint Kitts and Nevis	2,9	0,821	0,415	0,767	0,591
Saint Lucia	0,9	0,795	0,329	0,726	0,528
Saint Vincent and the Grenadines	1,6	0,761	0,359	0,672	0,516
Samoa	2,5	0,785	0,397	0,71	0,554
Sao Tome and Principe	0,5	0,654	0,312	0,503	0,408
Saudi Arabia	0,1	0,812	0,295	0,753	0,524
Senegal	1,2	0,499	0,342	0,258	0,3
Seychelles	1,5	0,843	0,355	0,802	0,579
Sierra Leone	-1,4	0,336	0,231	0	0,116
Singapore	3,6	0,922	0,444	0,927	0,686
Slovakia	2,8	0,863	0,41	0,834	0,622
Slovenia	3,2	0,917	0,427	0,919	0,673
Solomon Islands	-2,4	0,602	0,188	0,421	0,305
South Africa	0,6	0,674	0,316	0,535	0,426
Spain	2,5	0,949	0,397	0,97	0,684
Sri Lanka	3,7	0,743	0,449	0,644	0,547
Sudan	3,5	0,526	0,44	0,301	0,371
Suriname	1,1	0,774	0,338	0,693	0,516
Swaziland	0,2	0,547	0,299	0,334	0,317
Sweden	2,1	0,956	0,38	0,981	0,681
Switzerland	0,6	0,955	0,316	0,979	0,648
Syrian Arab Republic	1,4	0,724	0,35	0,614	0,482
Tajikistan	-4	0,673	0,12	0,533	0,327
Tanzania (United Republic of)	1,7	0,467	0,363	0,207	0,285
Thailand	2,7	0,781	0,406	0,704	0,555
Tonga	1,9	0,819	0,372	0,764	0,568
Trinidad and Tobago	4,3	0,814	0,474	0,756	0,615
Tunisia	3,3	0,766	0,432	0,68	0,556
Turkey	1,7	0,775	0,363	0,695	0,529
Turkmenistan	-6,8	0,713	0	0,597	0,299
Uganda	3,2	0,505	0,427	0,267	0,347
Ukraine	-2,4	0,788	0,188	0,715	0,452
United Arab Emirates	-0,9	0,868	0,252	0,842	0,547
United Kingdom	2,5	0,946	0,397	0,965	0,681
United States	2,1	0,951	0,38	0,973	0,677
Uruguay	0,8	0,852	0,325	0,816	0,571

Uzbekistan	0,3	0,702	0,303	0,579	0,441
Venezuela (Bolivarian Republic of)	-1	0,792	0,248	0,722	0,485
Viet Nam	5,9	0,733	0,543	0,628	0,586
Yemen	1,5	0,508	0,355	0,272	0,314
Zambia	-0,3	0,434	0,278	0,155	0,217
Zimbabwe	-2,1	0,513	0,201	0,28	0,241

Literature:

Alber J. (2006), 'The European social model and the United States' ***European Union Politics,*** 7, 3: 393-419.

Alber J. (2010), 'What the European and American welfare states have in common and where they differ: facts and fiction in comparisons of the European Social Model and the United States.' ***Journal of European Social Policy,*** 20, 2: 102-125.

Alesina, A. F. and Angeletos, G.-M. (1983), 'Fairness and Redistribution: US versus Europe' (January 2003). Harvard Institute Research Working Paper No. 1983; ***MIT Department of Economics Working Paper*** No. 02-37. Available at SSRN: http://ssrn.com/abstract=346545 or doi:10.2139/ssrn.346545

Andrade S. C. and Chhaochharia V. (2010), 'How Costly is Sovereign Default? Evidence from Financial Markets' (November 1, 2010). Available at ***SSRN:*** http://ssrn.com/abstract=1706383.

Arts W. and Gelissen J. (2002), 'Three worlds of welfare capitalism or more? A state-of-the-art report'. ***Journal of European Social Policy,*** 12, 2: 137-159.

Baglioni A. S. and Cherubini U. (2010), *'Marking-to-Market Government Guarantees to Financial Systems: An Empirical Analysis of Europe'* (November 10, 2010). Available at ***SSRN:*** http://ssrn.com/abstract=1715405.

Blanchard O. J. (2006), 'Is There a Viable European Social and Economic Model?' (July 11, 2006). ***MIT Department of Economics Working Paper*** No. 06-21. Available at SSRN: http://ssrn.com/abstract=916606

Esping-Andersen G. (1990), *,The three worlds of welfare capitalism'* Princeton, N.J.: Princeton University Press.

Galtung J. (1982), *'Kapitalistische Großmacht Europa oder Die Gemeinschaft der Konzerne?'* Reinbek near Hamburg: Verlag: Rowohlt TB-V.

Guger A., Marterbauer M. and Walterskirchen, E. 2006. Growth Policy in the Spirit of Steindl and Kalecki. ***Metroeconomica,*** 57(3), 428–442.

Herrmann P., Heshmati A., Tausch A. and Bajalan C. S. J. (2008), 'Efficiency and Effectiveness of Social Spending'. *IZA Discussion Paper* 3482, Institute for the Study of Labor, Bonn, available at: http://www.iza.org/de/webcontent/publications/papers/viewAbstract?dp_id=3482

Herrmann P., Heshmati A., Tausch A. and Bajalan C. S. J. (2009), 'Efficiency and Effectiveness of Social Spending. Towards a theoretical and empirical critique of the European Commission's paper 'Efficiency and Effectiveness of Social Spending. Achievements and challenges. Background note for the informal ECOFIN of 4-5 April 2008'' ***Wirtschaft und Gesellschaft*** (Vienna), 1, 2009: 13 – 43.

Heshmati A. and Tausch A. (Eds.) (2007), *'Roadmap to Bangalore? Globalization, the EU's Lisbon Process and the Structures of Global Inequality',* Nova Science Publishers.

Heshmati A., Tausch A. and Bajalan C. (2008), 'Measurement and Analysis of Child Well-Being in Middle and High Income Countries", ***European Journal of Comparative Economics*** 5(2), 227-249.

Heshmati A., Tausch A. and Bajalan, C. S. J. (2010), 'On the Multivariate Analysis of the 'Lisbon Process'' ***History and Mathematics*** *(Volgograd, Russia),* 1, 2010: 92 – 137.

Hyman R. (2005), 'Trade unions and the politics of the European social model'. ***Economic and Industrial Democracy,*** 26, 1: 9-40.

Jepsen M., Pascual A. S. (2005), 'The European Social Model: an exercise in deconstruction' ***Journal of European Social Policy,*** 15, 3: 231-245.

Malici A. (2008), *'The Search for a Common European Foreign and Security Policy. Leaders, Cognitions, and Questions of Institutional Viability'* Basingstoke and New York: Palgrave Macmillan.

Montanari I., Nelson K., Palme J. (2008), 'Towards a European Social Model? Trends in social insurance among EU countries 1980-2000'. ***European Societies,*** 10, 5: 787-810.

Rothschild K. W. (1999), European Integration and Economic Methodology and Research: Questions and Speculations. ***Atlantic Economic Journal,*** Vol. 27, num. 3, pp. 243-253.

Rothschild K. W. (2000), Europe and the USA: Comparing What with What? ***Kyklos*****,** Vol. 53, num. 3, pp. 249-264.

Rothschild K. W. (2003), A Note on European Integration and Fluctuations. ***Applied Economics Quarterly,*** Vol. 49, num. 2, pp. 139-148.

Rothschild K. W. (2009), 'Neoliberalism, EU and the Evaluation of Policies. ***Review of Political Economy,*** Vol. 21, num. 2, pp. 213-226.

Scharpf F. W. (2002), 'The European social model: Coping with the challenges of diversity' ***Journal of Common Market Studies,*** 40, 4: 645-670.

Seers D., Schaffer B. and Kiljunen M.-L. (1979), *'Underdeveloped Europe: studies in core-periphery relations'.* Atlantic Highlands, N.J.: Humanities Press.

Seers D., Vaitsos C, with the assistance of Marja-Liisa Kiljunen (1980), *'Integration and unequal development: the experience of the EEC'.* London: Macmillan.

SPSS (2007), *'Statistical Package for the Social Sciences, User Guide',* Version 14, August 2007.

Tausch A. (2010), 'The European Union's failed 'Lisbon strategy' ***Society and Economy*** (Budapest), 32, 1, 2010: 103-121.

Tausch A. and Ghymers Chr. (2006), *From the Washington towards a Vienna Consensus? A quantitative analysis on globalization, development and global governance.* Hauppauge NY: Nova Science.

Tausch A. and Herrmann P. (2001), *Globalization and European Integration.* Huntington NY: Nova Science.

Tausch A. and Heshmati A. (2010), 'Learning from dependency and world system theory: explaining Europe's failure in the 'Lisbon Process' ***Alternatives: Turkish Journal of International Relations,*** Vol.9, No.4, Winter 2010: 3-90, available at: http://www.alternativesjournal.net/new/index.php.

UNICEF (2007), *'Child Poverty in Perspective: An overview of child well-being in rich countries'* Innocenti Report Card 7, Firenze: UNICEF.

Zemanek H. (2010), Competitiveness Within the Euro Area: The Problem that Still Needs to be Solved. ***Economic Affairs,*** Vol. 30, No. 3, pp. 42-47.