Measuring cross-country differences in social cohesion

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Outline

1. Why measure social cohesion?
2. Conceptual framework
3. Cross-country differences in key dimensions
4. Discussion and regional patterns
5. Conclusion
1. Why measure social cohesion?
Why measuring social cohesion today?

“Zeitgeist” of today, post crisis: riots, protests, strikes, dissatisfaction, persisting poverty – challenges “glue that holds society together”

Shifting wealth: how to manage the social transition of converging countries

Academic/policy debate: new interest in social issues; new data sets available, poverty discussion (multidimensional, relative)

New data sources– e.g., on subjective well-being (e.g., Gallup)
Why social cohesion today? Example of Thailand

Development success by many measures
- 3% annualized growth 2000-2009
- Inequality declining (Gini, MLD)
- Dollar-a-day poverty headcount declined from near 22% in 1981 to less than 0.4% today.
- Universal healthcare introduced in 2001
- Land reform program among the largest in the world

Yet, since 2006 the country has experienced conflict between different groups.
2 Conceptual framework
Our definition:

A **cohesive society** works towards the well-being of all members, minimising disparities and trying to avoid marginalization within and between groups.

3 dimensions

i) fighting discrimination, **social exclusion** and inequalities;

ii) fostering cohesion by building **social capital**, (i.e., networks of relationships, trust and identity between and within different groups of society)

iii) enabling upward **social mobility**
The Social Cohesion “Triangle”

Social Mobility
- parent/child educational differences
- perceived prospects to advance

Social Capital
- trust
- civic participation

Social Cohesion

Social Exclusion
- adequacy of living standard
- distance from customary living standard
- satisfaction with living standard
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1) Social Exclusion
Measuring social exclusion: 4 key approaches

Absolute poverty
($1.25 PPP/day) international absolute poverty line

Relative Poverty
50% of the median international relative poverty line (if $1.25/day headcount<5%)

National poverty line
Absolute or relative in nature, defined by national authorities (political)

Subjective poverty
Defined by whether you are satisfied with your standard of living
Absolute poverty in Asia, Europe and Latin America

Poverty headcount

Dollar-a-day poverty
Subjective poverty
National poverty

Sources: World Bank (2009), Gallup (2010)
Absolute poverty in Africa

Sources: World Bank (2009), Gallup (2010)
Diff’t measures of exclusion, for diff’t levels of development

At higher mean living standards, countries have higher national poverty lines

Sources: Garroway and de Laiglesia (forthcoming), Chen and Ravallion (2008)
Relative poverty in the rest of the world

- 50% of median relative poverty
- Subjective poverty
- National poverty

Sources: Garroway and de Laiglesia (forthcoming), OECD (2009), World Bank (2009), Gallup (2010)
2) Social Capital
Social capital: Trust and Participation

Share of population

Believe most people can be trusted
Have someone close they count on
Volunteered last month
Voted in last legislative election

Trust

Participation

Sources: World Values Survey, Gallup, International IDEA
Social capital: Believe most people can be trusted

Sources: Most recent available wave of World Values Survey
Social capital: Volunteered in the last month

Sources: Most recent available wave of Gallup World Poll
3) Social Mobility
Social mobility: Correlation of parent/child education

Social mobility: Believe hard work helps you get ahead

<table>
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<tr>
<th>Region</th>
<th>Belief in Hard Work</th>
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<td>Central Asia</td>
<td>79%</td>
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<td>Eastern Africa</td>
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</tbody>
</table>

Sources: Most recent available wave of Gallup World Poll
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Discussion

**Complexity of results**

• Calls into question reductionist approaches of measuring social cohesion only with one indicator

• Subjective well being data provides useful complements

• Need to simultaneously look at the different dimensions

**Relative position in a society**

• who your peers are matters (more?) – for social cohesion outcomes
Regional and national patterns?

Country-specific examples

• Less satisfaction with living standards in India, Thailand recently, for example
• More volunteering in Tunisia recently

Regional Patterns

• Eastern Europe feels more exclusion and less mobility than standard measures suggest
• Latin America feels less exclusion and more mobility than standard measures suggest
• Asia high trust but low volunteering
• High volunteering and trust in Central Asia
• Africa higher trust and civic participation, than many other regions; sharp contrast between subjective poverty and absolute/national poverty in both directions

Caveats: cultural/institutional specificities
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Conclusions

1) Social cohesion: multidimensional concept, multidimensional measurement approach needed

2) Social exclusion, social capital and social mobility as key dimensions

3) Measuring these key dimensions requires material and subjective well-being data (absolute improvements not sufficient...)

4) Applying the framework: complex interactions, potentially useful to contribute explaining current Zeitgeist

5) Traffic light, one single indicator? What is most useful for policy making?
   Many open questions, exciting new research field
Thank you!!

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