

MEASURING WELL-BEING FOR PUBLIC POLICY: A FREEDOM-BASED APPROACH

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Resumen

Este artículo pone en cuestión la adecuación de los *enfoques* convencionales de la Calidad de Vida (QL) e intenta realizar una contribución al debate existente acerca de la revisión, integración o mejora de las métricas del bienestar tal como son usadas tradicionalmente en la bibliografía de indicadores estadísticos. Como una alternativa, este estudio basa sus principales supuestos en el Enfoque de la Capacidad (CA) de Amartya Sen. La principal hipótesis es que los análisis del bienestar que se basan en mediciones puramente monetarias o que olvidan la importancia del valor intrínseco de la libertad (y se fijan solo en sus efectos instrumentales) impiden adquirir imágenes adecuadas de las auténticas condiciones de vida de la gente en las complejas sociedades contemporáneas y, de ese modo, perjudican el diseño de la política pública. Esta hipótesis es verificada y comprobada tanto a través de una discusión teórica como también por medio de un análisis empírico de datos estadísticos de la OCDE. Lo que nuestras conclusiones indican es la gran importancia de *incrementar la libertad* para conseguir mejores resultados sociales e individuales.

Palabras clave: calidad de vida, bienestar, libertad de elección, enfoque basado en capacidades, política pública, igualdad, justicia social.

Abstract

This article questions the adequateness of conventional *approaches* to Quality of Life (QL) and aims to contribute to the on-going debate around revision, integration or improvement of the metrics of well-being as traditionally used in the statistic indicators literature. As an alternative, this study substantiates its main assumptions on Amartya Sen's Capability Approach (CA). The main hypothesis is that welfare analyses which are based on pure monetary measurements or which neglect the importance of the intrinsic

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value of freedom (and focus only on its instrumental effects) impede the achievement of adequate pictures of people's real living conditions in contemporary complex societies and thus, prejudice the design of public policy. This hypothesis is verified and tested both by a theoretical discussion and by an empirical analysis using OECD statistical data. What the findings suggest is the great importance of *enhancing freedom* for the achievement of better individual and societal outcomes.

Keywords: quality of life, well-being, freedom of choice, capability approach, public policy, equality, social justice.

1. State of the Debate

The belief that more equal societies have higher degrees of social justice and consequently that they manage to give easier access to opportunities that lead people to good levels of Well-being (WB) and Quality of Life (QL) seems to be widespread. A socially just society is often defined one as based on the principles of equality and solidarity and as a system that provides everyone with the necessary material and non-material means for their WB in order to allow them to conduct long and worthwhile lives. It seems also that reducing inequalities is the best way of improving the quality of societies (Wilkinson, Pickett: 2009). These assumptions are central to the purpose of this article because both equality and social justice are seen as fundamental elements for people's good QL and in proper assessments of people's WB these concerns should be taken properly into account.

The term of QL is what properly refers to the overall well-being reached by individuals in society. It should not be confused with the concept of standard of living, which is based primarily on income. Although QL has been an explicit or implicit policy goal for a long time, there is no agreement about definition and measurement. The key discussion is between objective and subjective indicators across a range of disciplines in order to establish which aspects of human experience may represent the core of welfare. Traditionally, three different approaches to QL can be distinguished, namely WB as 1) utility (happiness, desire and preference-fulfilment); 2) opulence (income, wealth) and; 3) freedom (Sen: 1985, pp. 1-19). The concept is also frequently related to human rights.

The utility metric suffered recurrent problems of measurement and interpersonal comparison of the different approaches to utility (Drakopoulos: 1989, Robbins: 1938), therefore, prevalent practical application in policy making is grounded on quantitative economic metrics (GNP per capita,

GDP or income). However, due to the acknowledged inappropriateness and incompleteness of macro-economic statistics objective monetary measures ability to capture a society's well-being (Fleuerbay: 2009; European commission: 2009; OECD: 2011), they are often combined with subjective well-being indicators such as happiness or life satisfaction, which are direct heirs of the utilitarian tradition (Easterlin, 2003; Greve: 2010, 2011; Diener and Seligman: 2004; Venhooven: 2002, 1991; Shumaker: 2007). While happiness is properly a positive feeling or sensation, life satisfaction is more of an overall self-reflective evaluation of someone's WB. Happiness, some maintain, can be captured objectively as an indicator of "experienced utility" (Kanehman: 1997, 2005).

This field of research gives us clues as to what constitutes the ingredients of a good society, clues not derived from an armchair philosophy but from empirical evidence. It does so, by asking people themselves how they evaluate the quality of their lives and by analysing the socio-economic correlates (Kristian Kroll: 2012, p. 120). One of the most attractive promises attached to subjective well-being analysis is that it claims to offer a good measure of an individual's QL. Furthermore, it claims to offer a better understanding of its determinants as affected by a variety of objective features. The most relevant set of determinants will depend on which aspect of subjective well-being is considered, for instance, income, health status and education (Stiglitz-Sen-Fitoussi Report: 2009, p. 148). Some critical features of these determinants can be indicated by adaptation, peer effects and relative comparison (e.g. changes in GDP related to ladder-of-life scores). Indeed, the most relevant weakness still refers to interpersonal comparability and the possibility that external events may disturb evaluation and their measures (Stiglitz-Sen-Fitoussi Report: p. 149). Therefore, although subjective indicators such as happiness and life-satisfaction have the advantage of being direct expressions of an individual's own reflexive judgment over their own WB and lives, they cannot be the focus of research into QL. In fact, many important aspects of human experience, such as the presence in a certain context of real opportunities for people to lead good lives, or social justice concerns, cannot be properly grasped by either subjective indicator and thus, perhaps the pursuit of happiness cannot represent an adequate societal aim in itself. As supported, for instance, by the Scandinavian welfare research approach, objective indicators are more suited to interpersonal comparison and to study inequalities. Further for policy planning, information about factual

conditions of people's lives is needed, more than individual satisfaction (Erikson, Uusitalo in Erikson, Hansen, Ringen, Uusitalo: 1987, p. 190), and it seems that subjective indicators say very little about facts (Johansson: 1970, pp. 441-2).

For this reasons, this paper aims to point out the advantage of focusing on freedom to measure WB and QL instead of the standard monetary measures (e.g. GDP or income) or psychological utility-based metrics. It proposes a substantial revision of well-being measurements as currently used in the statistic indicators literature and takes a position on the ongoing debate concerning subjective/objective indicators. It is important to point out that development, as a main societal target, is not only identified with economic growth, such as that defended by the classical development theory, but with the achievement of good welfare conditions for all people involved. In order to concentrate on original analyses, the refutation of previous theoretical/methodological/normative positions and the discussion of their weaknesses is left to the abundant already available literature on these topics (in addition to the previously mentioned literature see Rawls: 1971; Elster: 1983; Nussbaum: 2000 or Stiglitz, Sen, Fitoussi: 2010; Dréze & Sen: 2014). Here, the core issue relies on providing an explanation of why a certain idea of freedom of choice can provide more adequate accounts of people's objective opportunities for welfare than pure economic and/or subjective indicators, both at an individual as well as at societal level.

It will be argued that achieving this task requires the broadening of the traditional objective measure of QL used in the pure economic approach, but avoiding any merely subjective standpoint. In fact, it is also argued that people's strong power of psychological adaptation is a good enough reason to avoid subjective measures of well-being advantage, particularly when related to interpersonal comparisons. Therefore, instead of combining happiness accounts (subjective indicators) with traditional economic measurements (objective indicators) this study proposes an objective multidimensional indicator that aims to represent people's real opportunities for welfare whilst also giving space in the analysis for considerations of equality and social justice. The efforts to provide new composite measures of societal development/outcomes respond to a new and active trend in the social indicator literature, such as that introduced by the think tanks New Economic Foundation (NEF 2008: 21) or the Legatum Prosperity Index (Legatum Index: 2012). Nevertheless, neither of these are considered

suitable for the present study. The first concentrates on personal well-being split into 5 different subjective indicators, and although the second mixes monetary, non-monetary measures, objective and subjective accounts of WB, it seems to support a classical and reductive concept of development as mere economic performance. Consequently, it does not take into account the impact of important social phenomena (e.g. inequality, social exclusion or poverty) in the evaluation of people's QL and in the formation of the rankings.

Following Amartya Sen's Capability Approach (CA), this study assumes that promoting and increasing freedom of choice is central to going beyond the traditional and narrow concept of welfare and development, and it will be a clear improvement in the understanding of people's QL if we analyse their lives, WB achievements in those terms (Nussbaum & Sen: 1993; Sen: 1999). Furthermore, it is argued that underestimating the importance of the intrinsic value of freedom and focussing only on its instrumental effects (e.g. being one of the determinants of happiness and life satisfaction) could prevent us from obtaining a fully adequate picture of people's real advantage in contemporary complex societies, thereby prejudicing the design of public policy. The main underlying assumption is that the focus on capabilities, in which concepts of equality and justice are foundational, manages to establish a more profitable relationship between the notion of freedom of choice and human welfare. In fact, *expansion* and *equality of capabilities* (Sen: 1980) represents the main individual and societal objectives while *capability justice* is described as an extended comparative approach that allows us to see how patent injustices (e.g. income or structure inequalities) impact on people's real capabilities to achieve the life that they have reasons to value (Gotoh & Dumouchel (ed.): 2009, p. 13). Thus, the CA should be particularly useful when investigating how local inequalities constrain the achievement of certain freedoms in specific contexts in order to detect which *particular areas* need to be intervened by a public policy oriented to high-valued social targets.

The specific goal of this article is twofold: firstly, to outline an analytical framework using the capability approach through a philosophical discussion of Sen's key insights. This will be carried out from a comparative perspective with the main opponent theories of social welfare and social justice. Some of the failures of the CA will also be discussed, and the article will indicate how the proposed framework could overcome certain

limitations. The second goal is to attempt an operationalization using the OECD statistical data and to examine if and how the chosen analytical variable may offer an additional justification (or refutation) of the use of the CA in welfare analyses. Furthermore, this analysis also aims to provide an argument in favour of the use of statistical data in philosophical enquiry. Their importance is still largely ignored in philosophical work. Therefore, this study would also like to contribute to filling this gap.

It is often believed, because of the well-known Neo-positivist fact/value distinction, that normative claims, such as those of the CA, cannot be rejected on the grounds of truth or falsehood, but likewise, cannot be supported by empirical evidence. However, the CA approach and Sen's ethics and economics paradigm (Sen: 1987) has been seen as a way to reconcile the tension between facts and norms (Putman: 2002) by providing a no-ideal theory of justice (Sen: 2009). That is, a realistic view about people's achievements but incorporated into a richer normative substrate¹. Indeed, the CA based on ethical-sensitive (deontological) consequential evaluations of actions, choices, accomplishments (Sen: 1987, p. 65) could be considered inherently more fact-sensitive than mainstream antagonist theories. This strategy is functional, for instance, for overcoming the deontological impasse of traditional liberal approaches in which rights are merely procedural-formal (e.g. Rawls: 1971; Nozick: 1974). In this perspective, statistical surveys providing quantitative numerical descriptions of trends, attitudes or opinions can be of great help in clarifying meaning, scope and usefulness of a particular concept or the adequateness of certain claims or assumptions.

The core hypothesis to test, through the use of the statistical/empirical data, is that phenomena such as equality and social justice have a closer conceptual, but also empirical, relationship² with the notion of freedom

¹ Adopting a capability view this paper implicitly takes position on the on-going debate about ideal/no-ideal theories (See Sen's critique of Rawls transcendentalism 2009: ch. 2). Although the relevance of this discussion, it overcomes the scope of this study which is particularly focused on indicating a way to operationalize the CA. For an overview of the main issues involved by the dispute see Valentini 2012, for an analyses of the CA in that terms see Robeyns 2008, Hamlin & Stemplowska: 2012, pp. 6-7).

² To affirm that there is positive/negative correlation between variables needs the application of a quantitative methods approach (e.g. chi-square tests) that exceeds the scope of this study. It was considered not necessary to go in this direction to accomplish with key objectives of the paper, that is, indicate a feasible strategy to operationalize the CA emphasizing on objective indicators.

presented in this paper than with reductive ideals of development or welfare as economic performance or purely subjective assessments of happiness. For this reason, the value of a freedom/capabilities-based approach is examined through an empirical assessment of some particular freedoms in OECD countries in which the identified freedom indicators are crossed with inequality, happiness and life satisfaction data for the same countries. It is argued that, because of the narrowness of traditional monetary measures and certain intrinsic limitations of any subjective notions (e.g. happiness, preferences or utility), which are seriously affected by cultural or social conditioning and are prone to mental adaptation (Elster: 1983; Nussbaum: 2000), higher or lower levels of equality do not automatically have a substantial influence on societal outcomes.

On the contrary, higher levels of equality connect with higher levels of freedom, and lower levels of equality should be related to lower level of freedom, thus providing support for the use of freedom-based metrics of WB in welfare analyses and public policy. At the same time, this discussion hopes to provide an argument in favour of the promotion of the welfare states as freedom-providers. In particular, it seems that the promotion of equality provided by the universal welfare state model, for instance the Scandinavian welfare systems, due to their higher redistributive potential, is more able to protect people from any form of vulnerability brought about by factors such as poverty, illness, unemployment, or social exclusion (Rothstein: 1998).

2. Freedom, Welfare and Capabilities

Freedom is one of the central values in western culture and is a complex, multi-dimensional concept. Over the last three decades, a new prominent freedom-based approach has been developed in this field: Amartya Sen's Capability Approach (Sen: 1999).

Sen's approach has challenged the neoclassical utilitarian foundations of neo-liberal theories, their standard behavioural assumptions (e.g. the rejection and revision of the instrumental self-interested rationality) and their measures of well-being (e.g. individual utility or monetary measures like income, GDP). The approach provides a broader view of what constitutes the outcome space in the context of evaluating social states, WB

and QL (Sen: 1970, 1982a, 1982b, 1987, 1991). It also suggests routes to overcoming the narrowness of the merely negative dimension of freedom (Berlin: 1969) as defended by traditional liberal thinking (Hayek: 1960; Buchanan: 1975; Nozick: 1974).

The task of accounting for both positive and negative freedom motivated the interest of CA in the measurement of the degree of freedom of choice prescribed by the agents in alternative social states. This is currently one of the main topics in Rational Choice Theory and Game Theory. Here, the notion of freedom as a property of an individual's opportunity set represents choice-options available to the individual at a given instant. The main focus of attention is placed on exploring and being able to determine, for instance, when one commodity bundle provides more freedom than others, or how the various sets of options that may be available to an agent can be compared in terms of the amount of freedom they offer (Sen: 1988; Pattanaik, Xu: 1990; Puppe: 1995). The main difficulty in this kind of literature is combining the instrumental value of freedom, for example, satisfaction of preferences over options, with its intrinsic value (Fleurbaey, Gravel, Laslier, Trannoy: 1998, p. 3) and identifying suitable criteria to evaluate the individual opportunity set in order to set up its potential for appraising people's WB and QL. The Capability Approach (CA) is often seen as providing an answer to both issues, providing accounts in which freedom itself is of value, not only for its instrumental effects (Alkire: 2002, p. 6).

The CA is a theoretical framework that entails two core normative claims: firstly, that freedom to achieve well-being is of primary moral importance, and secondly, that freedom to achieve well-being is to be understood in terms of people's capabilities. That is, their real and objective opportunities for a good life. What the capability perspective provides is a way to conceptualize the disadvantage experienced by individuals in society emphasizing the social, political and environmental barriers to equality (Burchardt: 2004). The specific task of public policy is seen as removing or reducing these barriers in order to increase an individuals' opportunity to achieve.

For these reasons, Sen's CA sees the evaluative space in terms of functionings and capabilities to function. That is to say, what people can be or can do to lead the life they have reasons to value (Sen: 1999). The focal variables of this approach are functionings. In Aristotelian terms, these are defined as things, states or actions that a person can value, do or be. Sen

explains that the functionings included can vary from the most elementary ones, such as being well-nourished, avoiding escapable morbidity and premature mortality, to quite complex and sophisticated achievements, such as having self-respect, being able to take part in the life of the community, and so on (Sen: 1992, p. 5). Departing from the functioning concept, Sen defines the notion of capabilities as combinations of functionings that represent what the subject can choose. Not so much the real achievements of a person but his freedom for achieving valuable functionings (Sen: 1991, p. 31). One of Sen's most exact definitions of capabilities is like a set of n-tuples of functionings, representing the various alternative combinations of beings and doings, any one of which the person can choose (Sen: 1991, p. 38).

In order to define the relative advantage for a person, Sen establishes a clear difference between achievements and freedom to achieve (Sen: 1991, p. 35). This idea is implicit in the conceptual distinction between functioning and capabilities and indicates the difference between the realized (achieved functionings) and the realizable (positive freedom to achieve or capability). In Sen's account, the positive freedom to lead different types of life is reflected by one person's capability set in which wideness and goodness of the eligible options are what, in the last instance, determines an individual's actual freedom of choice (Sen: 1991, pp. 34-5). Not all increases in choice count, only those which reflect a real expansion of people's opportunities/freedoms/capabilities for WB, and QL. Sen stresses that the great importance of focus on capabilities instead of functionings in welfare analyses is due to the tied relationship that exists between the notion of capability and the positive aspect of human freedom. This characteristic is the fundamental normative difference between Sen's and Nussbaum's CA (2000) and explains the decision of this study to emphasize on Sen's proposal. In contrast to Sen, Nussbaum proposes a rather specified, Aristotelian list of ten basic capabilities that a good society has to ensure and even though it is open and revisable; it keeps on concentrating the attention on functionings (achievements and not opportunities to achieve), and by fact, reduce agents' substantial freedom to self-determine the objects of practical values representing the ends of their choice-action (Magni: 1996; Cenci: 2011, p. 144-5).

In particular, Sen's strategy, to increase people's positive freedom and in order to most profitably guide public policy, relies on broadening the informational basis adopted in conventional welfare analyses to measure

WB and QL. This expansion makes room for a variety of human acts that are important in themselves, not just because they produce or yield utility. According to Sen, when WB is identified with some kind of individual utility (e.g. happiness) and this concept is used to assess inequality and public policy, many relevant aspects would be inexorably lost if we did not paid sufficient attention to freedom and its specific objectives. Demonstrably, human beings do not aim exclusively for their own happiness or satisfaction. Thus, in order to respect an individuals' autonomy, as well as recognize the multidimensional nature of human WB, it is essential to consider a number of objectives for human action as fully legitimate. Valuing various freedoms in the form of capabilities also implies not attaching direct importance to the means of living or means of freedom (e.g. real income, wealth, primary goods or resources) as some other liberal approaches do (Rawls: 1971; Dworkin: 1982).

The underlying supposition of traditional metrics is that to a certain amount of resources, primary goods corresponds a certain extent of satisfaction or WB that is, they concentrate on the ownership of resources or political rights and not on people' real opportunities to achieve that are also strictly dependent on personal, environmental or social conversion factors (Sen: 1992, pp. 19–21, 26–30, 37–38). Indeed, prominent egalitarian approaches fail to give an account of the human diversity and variability of people's capacity of translating resources into WB ("conversion factors") since they erroneously concentrate on the means that influence the agents' alternative lives, and not directly on the wideness of their freedoms to choose and pursue their own projects and goals (Sen: 1980; Sen: 1990). It is not sufficient to know the resources a person owns or can use in order to be able to assess the well-being that they have achieved or could achieve. Rather, we need to know much more about the person and the circumstances in which they live. Sen uses "capability" not to refer exclusively to a person's abilities or other internal powers, but to refer to an opportunity made feasible, and constrained by, both internal (personal) and external (social and environmental) conversion factors (Crocker: 2008, pp. 171–2; Robeyns: 2005, p. 99).

Sen demonstrated that in certain societies (e.g. unequal or racist) or in certain conditions (e.g. disability), the same amount of resources is not sufficient to have comparable satisfaction or welfare. The attempt of going beyond this level has been often described as the key originality

of the Sen's accounts (Kaufman: 2005, introduction). The advantage for public policy is that the CA may offer an objective account of people's opportunities for welfare but also specified solutions adjusted to precise contexts peculiarities or individual circumstances, that is, an intermediate metric of WB between primary goods (which are viewed as too objective) and utility-based approaches (viewed as too subjective) (Cohen: 1989). As noted, Sen's proposal can be seen as a mixed normative theory, a "goal-rights system" in which evaluative procedures go beyond rights possessed or goods (e.g. utility, primary goods, resources) to the additional consideration of final outcomes namely the effective right-fulfilment. In fact, in order to evaluate the real nature of people's capability sets, that is, people's real opportunities for welfare, it combines the attention for deontological rights and procedures but within the frame of a consequential evaluation (Sen: 1982b). In Sen's view, this extends the estimation of people's lives beyond negatives, freedoms and means of freedom (goods or rights possessed) to their real positive freedom or opportunity to achieve valuable ends (self-chosen ends), by maintaining both the objectiveness of the evaluation and an agent-relative view over their own WB or achievements (Sen: 1993).

Nevertheless, differently from conventional liberal literature which requires a person to exercise direct mastery over his/her choice (Friedman: 1962; Cohen: 1994), Sen clarifies that a proper theory of freedom requires decisive preference, but not necessarily decisive choice (Pettit in Morris: 2009). According to Sen, to achieve certain valuable functionings, freedom as power could be more relevant than freedom as control (Sen: 1983, pp. 18-20; Sen: 1988, p. 36). Specifically, a policy that enhances the person's ability to lead the form of life that they prefer, that is, by expanding human capabilities, might enhance freedom even if the person exercised no influence in causing the policy's enactment (Kaufman: 2005).

Finally, as formerly indicated, in comparison to Nussbaum's model, at the normative level the most peculiar characteristic of Sen's approach is vagueness. This feature embodies the liberal philosophical background of the CA which aims to respect many different ideas about what a good life is. This implies that two people with identical capability sets may make different choices in terms of which functionings they want to achieve according to their personal targets and values (Robeyns: 2005). Indeed, Sen's CA does not pretend to offer a decision method, but what it does is to invite us to think about what functionings form part of our, and other cultures', notion

of the good life and to investigate just how much freedom various group of people in various situations actually have to achieve these functionings (Putnam: 2002, p. 60). Despite the great relevance of this aspect of the theory, particularly when applied to the analysis of multicultural, complex societies; it makes the transposition of this normatively rich, inclusive framework into practical applications much more difficult.

3. Selecting Capability Indicators

The key challenge in the operationalizations of the CA is to maintain the richness of its theoretical intuitions, the objectiveness as well as the agent-relativity of the evaluation. What is provided here is an example of a way to translate the main ideological assumptions of the CA into empirical practices, whilst avoiding some of its most negative implications.

As often highlighted by the literature Sen's framework, especially when compared to Nussbaum's overspecified list, better allows to address complex problems without imposing artificial precision (Alkire: 2002; Chiappero-Martinetti in Comin, Qizilbash, Alkire: 2008). Even though many scholars consider the incompleteness of Sen's framework as an advantage to evaluative practices, they recognize that it requires some fundamental specifications to be put into practice (Alkire 2003 in Stiglitz-Sen-Fitoussi Report, p. 151; Robeyns: 2006). However, there's no agreement about what constitutes the real nature of the concept of Capability (Gargarella: 2010). Here, another controversy of great importance concerns whether capabilities or functionings should be the main object of analysis. Theoretically, Sen emphasizes on capabilities as expressions of freedom of choice to avoid the paternalism that may be derived from indicating which functionings people ought to achieve. Actually, by choosing between functionings and capabilities depends on the nature of application. For instance, some scholars argue that when we want to measure well-being outcomes and QL, the appropriate metric is functionings (Robeyns: 2006, p. 354). Even though many functionings, such as health or education, also determine capabilities (to consume, to move, to participate), available empirical data generally refers to the first element (description of individual states) rather than to the second (the set of opportunities that are available to each person) (Stiglitz-Sen-Fitoussi Report: 2009, p. 153). Sen himself is aware of the data limitations and points out that, despite of the philosophical merits of

capabilities, applied work may sometimes focus on functionings or income instead (Sen: 1999, p. 82-3).

Therefore, how should we provide an objective account of people's opportunities for WB in certain societies?

In order to surmount previous limitations, the strategy adopted in this study is to outline a multidimensional set of interpersonal comparison criteria which reformulate the concept of capability as freedom of choice in a completely objective and measurable way. Capability is conceived and understood as objective socio-economic features of the contexts that may constrain or empower people to achieve valuable functionings. That is, the focus is no longer on goods or commodities, but most properly on the nature of the "conversion factors". What is particularly important in this kind of analysis is the relationship between the individuals' intrinsic capacity and their objective external circumstances particularly how and to what extent contexts and socio-economic structures enhance or prevent people's life-chances to achieve QL or their influence on the effective exercise of an individuals' agency. Therefore, social environments are seen as one of the main determinants of human opportunities (i.e. capabilities), but likewise of their weaknesses. In this perspective, equality and social justice cannot be just the end of a human development process, but a structural precondition for it. Political, economic and social arrangements, as well as focused social policy in key areas, are seen as pivotal to circumscribe inequality, poverty or social exclusion, if directed to eliminate prejudicing structural differences between people. In particular, welfare programs that support health, education and social security play an important role in directly supporting capability, but also in providing political pressure for state intervention in times of crisis and hardship (Clark: 2005).

According to the above premises, the present analysis focuses specifically on individuating the degree of presence (or absence) of some conditions universally seen as fundamental to promoting the objective life-chances (or capabilities) of every person in the societies examined in this article. The elements represented by the chosen indicators precisely refer to socio-economic features that any context suitable for supporting a wider idea of human development (not only in economic terms) should have, and any "good" society (that enhances the positive freedom of its citizens) should guarantee. In this account, the deliberative character of the CA, which entails that every society could select the implementation of different policies or strategies respecting principles of social and ideological

pluralism, is respected by leaving this task to the democratic procedures. That is, the technocratic approach to public policy is rejected. Nonetheless, the desirable guiding principle should be to include considerations on environmental sustainability, respect for comprehensive human rights (also welfare or economic rights) or gender-sensitive concerns, thereby avoiding dangerous moral relativisms. Finally, individuals have the liberty to take advantage, or not, of the available opportunities created by social policy respecting principles of autonomy and self-determination. Therefore, on the one hand, the framework establishes what combination of individual freedoms have to be provided or increased in order to enhance people's objective opportunities for "human flourishing" (avoiding any form of mental adaptation or context or social conditioning), but on the other hand, it is also sensitive to agent's diversity, respectful of people's goals, values and democratic principles avoiding any kind of paternalism.

In his theoretical work, Sen indicates that there are at least five kinds of instrumental freedoms that determine an individual's freedom of choice at the macro level: a) the primacy is for political and democratic freedoms, b) economic facilities, c) social opportunity, d) guarantees of transparency and, e) protective security (Sen: 1999, p. 38-40). As instrumental freedoms, they focus on creating conditions to enhance people's opportunities for WB or good life, enhancing the related capabilities whilst avoiding overemphasizing specific commodities that people are supposed to hold (functionings).

But can these freedoms be properly represented by the available statistical dataset?

Another of the CA's practical limitations relies on the fact that, although most of the current datasets are rich in range of domains, data are not collected with the aim of capturing people's functioning for well-being, let alone their capabilities (Robeyns: 2006, p. 371). Unless one of the most innovative surveys makes further steps in the direction of developing capability indicators (Anand, Hunter, Carter, Dowding, Guala, Van Hees: 2009), it is still quite difficult to select which indicators, among the available data, could embody people's opportunities for welfare. However, broad coincidence was found between the topics and targets considered relevant for QL by the CA and the OECD Better Life Initiative 2011³. Indeed,

³ The OECD Better Life Initiative allows comparison across countries on eleven essential topics (housing, income, jobs, community, education, environment, governance, health, life satisfaction, safety, work-life balance). See www.oecdbetterlifeindex.org

the OECD dataset provides a wider-ranging approach to people's QL by collecting empirical knowledge on several aspects on human experience and very importantly, declare to share similar normative ideals, that is, not merely identify what is functional to the increasing of the GDP or economic growth but what is suitable for the increasing of people's welfare and QL. Therefore, comparing to other datasets the OECD indicators are expected to be more congruently representative of people's capability/freedom of choice for welfare.

The multidimensional indicator of freedom of choice proposed in this study takes inspiration from Sen's five instrumental freedoms. These may be operationalized, using some of the OECD Better Life Initiative indicators, as follows: 1) Civic engagement and governance correspond with both Sen's political freedom and guarantees of transparency; 2) Income and wealth correspond to Sen's freedom of the economic facilities; and 3) Personal security corresponds to Sen's protective security. Finally, considering the high grade of interrelation between jobs, earnings and education, these indicators taken together will refer to Sen's freedom for social opportunities. Even though environmental quality is considered as being very important for people's QL, the decision of not including it among the objective freedoms relies on the fact that, within the same country, there may exist many different environmental realities and an overall measure can be inadequate and/or misleading. The exclusion of the other indicators is due to their being second-order indicators. In fact, it should be impossible to have good housing without a good job and a proper income, and health status depends, not only on individual physical disposition and lifestyle, but also on the quality of service provided by a welfare state, for instance. Another important issue here is the extent of access that people have to the healthcare system. This factor depends on public policy (i.e. the political sphere) or people's income (i.e. economic sphere) if services in a certain context are mainly provided by private entities. Moreover, these indicators relate to commodities (i.e. functionings) and do not directly focus on opportunities for WB and QL (i.e. capabilities). Obviously, subjective indicators such as community, life satisfaction and work-life balance, despite their relevance to people's WB, do not fit into the analysis, as it presents a pure objective account of people's opportunities for good QL throughout an assessment of certain freedoms in OECD countries. A macro analysis is always partial, so in order to obtain more precise assessments further analyses should be conducted at micro-level, and separately for each country. At this stage, several specifications,

such as the above mentioned indicators, require inclusion. In fact, what is important should be observing the outcomes produced (the achieved functionings) by different degrees and combinations of certain freedoms in order to precisely identify which areas need to be intervened in by public policy. Nevertheless, this kind of investigation is beyond the scope of this study.

As Sen indicates, primary and fundamental importance is given to political freedom. In fact, it is assumed that the quality of democratic structures and procedures is pivotal for human development and to individuate adequate targets to pursue as a society. The focus is on both available indicators: a) voter turnout, and b) consultation on rule making. Citizen participation in governance (first indicator) is an essential requirement for people's freedom of choice. In fact, it allows more influence on and control over political decisions that have a direct consequence on people's lives. The main limit of this indicator is that it does not give any account of coercion or eventual democratic inappropriateness of electoral rules that may strongly limit a citizen's freedom of choice. The second indicator reports on the accountability and the effectiveness of public policy. Whether public policy is effective, fair and transparent in achieving its goals has strong and direct impact on people's WB (OECD: 2011, compendium, p. 28). Unfortunately, available data report the number of consultations on policy making, but not whether policies have been put into practice and, if so, to what extent.

Economic freedom is another essential feature of people's QL. The CA asserts that the focus should not be purely on economic variables, but it does not deny the importance for people's WB of providing a certain material basis. The decision of focusing on both available indicators (income and wealth per capita) relies on the fact that, while income expands people's consumption possibilities and provides them with the resources to satisfy their needs, wealth allows individuals to smooth consumption over time and protects people from unexpected shocks that could lead to poverty and social exclusion. Moreover, income and wealth bring non-economic benefits, such as higher status and education, higher life satisfaction, more personal security, for example, living in safer and cleaner areas (OECD: 2011, compendium, p. 12). Having a job is one of the major determinants of household income, as jobless households are more likely to experience poverty and material deprivation (OECD, 2008 in OECD: 2011, compendium, p. 12). Regrettably, available data does not report on income

distribution inequalities in the different countries studied. Thus, these data are provided as a separate account in the following paragraph.

Personal protective security is another core element for an individuals' WB, as well as for society as a whole. As the focus is on objective parameters between the two available indicators, the decision was made to only use the intentional homicide rate, as the other available indicator, the assault rate, can be affected by subjective perception of violence. It is known that the biggest impact of crime on people's WB appears to be through the feeling of vulnerability that it causes (Anand and Santos: 2006), but it also leads to the disruption of social functionings, such as a restriction in freedom of movement and the erosion of social cohesion within communities.

As fundamental aspects of a fair society, jobs, earnings and education relate to an individuals' freedom for social opportunities. Another relevant measure in this area is the existing degree of social mobility, but regrettably this data are not available for OECD countries. Regarding employment conditions, both indicators are relevant for this analysis: a) employment and b) long-term unemployment rates. In fact, there is substantial agreement that availability of jobs and salaries are fundamental for people's WB. Not only do they increase people's command over resources, but they also provide people with a chance to fulfil their own ambitions, to develop skills and abilities, to feel useful in society and to build self-esteem. Societies with high levels of employment are also richer, more politically stable and healthier. (OECD: 2008, OECD: 2010 in OECD: 2011 compendium, p. 14). However, available data do not take account of the quality of employment, the level of wages or the possible presence of exploitative practices. These elements have a direct repercussion on people's WB, as well as being essential elements for an objective account of the real employment conditions of a society.

Finally, education is seen as a basic need, an important aspiration for people and a crucial element of their WB. Among the available indicators, the focus is only on educational attainment (EA). The other available indicator, students reading skills, is not really representative for the analysis. In fact, even if a small number of privileged elite have a highly-skilled performance rate, this does not mean that the whole society has to be considered as having proper education-related opportunities. There is evidence that better educated individuals earn higher wages and have a higher probability of employment, therefore better lives, and they experience higher levels of WB. They also live longer lives, report a better health status and a lower

occurrence of chronic diseases and disabilities. Better educated individuals participate more actively in politics and in the community where they live, they commit fewer crimes and rely less on social assistance. At the societal level, better education leads to higher GDP growth, higher tax revenues and lower social expenditures (OECD: 2011, compendium, p. 24). Nonetheless, not only economic factors but also social and cultural determinants (e.g. ethnic or gender differences) can influence EA, attaching rather different weights to personal development through education (Wilkenson, Pickett: 2009). The figure below provides a graphic representation of the CA/freedom-oriented indicator of WB.

3.1 Interpreting Capability Data

My strategy to demonstrate the relevance of a freedom-based approach to QL and the nearness that the present account of freedoms has with the degree of equality and social justice in certain societies, is based on crossing and comparing data from the chosen five “freedoms” indicators (Appendix A), from the OECD Income Inequality data (Appendix B) and further evidencing their relationship and similarities with subjective WB accounts for the same countries (both happiness and Life satisfaction). This is seen as relevant for this study, since income inequality and poverty continue to rise in OECD countries (OECD: 2008, OECD: 2011a). Hence, if the aim is to properly identify features and understand trends in people’s WB and QL, it is really important to take account of these phenomena. Sen (1992) often argues that income equality has to be considered a meaningful mirror for reflecting the degree of freedom within a certain society.

To summarize the main findings: the analysis shows that Nordic EU countries do very well on all indicators and are also the most equal, happiest and most satisfied societies. Southern EU countries and Eastern EU countries do not show linear trends on all indicators. In particular, most of the Southern EU countries have sufficient political outcomes. For example, Italy, Greece and Spain are above the OECD average concerning their participation in elections. Some of them also have high in economic correlates, for example, Italy shows high levels of wealth. They are safe but very deficient in employment and education, thereby lacking freedom for social opportunities. Among the main determinants of these scarce social outcomes are the improper social and economic policies, at least during the last 30 years, the inappropriateness of political leaderships, and

protectionism toward lobbies and powerful elites' vested interests, that is, high levels of corruption, nepotism, clientelism (Della Porta: 2000), as well as low levels of economic equality and social mobility. In particular, the negative attitude of the southern EU countries towards the development of higher education and scientific progress can explain the well-known immobility of internal labour markets and the usual lack of job opportunities for highly skilled people in the area. Incentives to attract private investments are scarce and as a consequence of the debt crisis (Lapavitzas: 2012) and the implementation of austerity measures there is an increasing contraction of public expenditure in welfare, education, research and innovation. One of the results is the growing unemployment and the rise of highly skilled workers migration from the entire Southern Euro Zone during the crisis (Groupas & Trindafillydou: Survey Report March 2014).

Nonetheless, this does not seem to reduce feelings of happiness. For instance, Spain has a very low employment rate and the highest unemployment rate of OECD countries, yet it is quite high in the happiness accounts. This finding is strange considering that many studies point out that the experience of unemployment is one of the factors that have the strongest negative impact on people's WB. There is also evidence that this impact persists over time and that psychological resistance to unemployment is low (Dolan et al.: 2008 in OECD: 2011, compendium, p. 14).

Conversely, Eastern EU countries show very good outcomes in terms of education. The Czech Republic, Slovak republic, Estonia and Poland are in the top 5 positions. Nonetheless, they are very weak in all of the others indicators. A reason for explaining the positive outcomes can be found in the value that past communist regimes attached to education, as this most likely created a positive background and widespread interest for intellectual development. In contrast, high levels of inequalities and lack of freedom in political and economic structures is evidence that democratic institutions and economic systems still do not work properly. However, in this case it is fully reflected in the low levels of both happiness and life satisfaction registered in these societies (all are below the OECD average). The case of Russia, a growing economy which is deficient democratically, and many other ex-communist countries, is illustrative of this situation (Inglehart, Foa, Peterson, Welzel: 2008, pp. 268-70).

The representation of Latin American countries within the OECD data is small but significant. In fact, Mexico and Brazil are large growing economies and Chile was, for a long time, considered as one of the most

stable and, along with Argentina, the most prosperous nations in Latin America. Although, in general, they are very participative politically (1st political indicators), they seem quite weak on all of the social opportunities indicators (jobs and education) and citizen involvement in rule-making is also scarce, for example, Chile is the lowest ranked in the 2nd governance indicator. Additionally, all Latin American countries have very high positions within the income inequality assessments, and Brazil together with South Africa and Russia (respectively 23, 37, 19), is placed highest in terms of the degree of violence. As shown, in the case of extreme forms of crime, socio-economic inequality, measured in terms of wages and education, seems to play a central role in the occurrence of criminal victimization (Wilkenson, Pickett: 2009). Disadvantaged people are likely to live in neighbourhoods with high criminality, and lack of resources prevents them from protecting themselves against crimes and assaults (Kelly: 2000 in OECD: 2011, compendium, p. 33). Nonetheless, it seems that an insecure living environment is not a powerful determinant for feeling unhappy. In fact, in many explanations (see Inglehart, Foa, Peterson, Welzel: 2008, pp. 268-70) Brazil, Chile and South Africa have the same, or even higher, happiness levels than, for instance, Italy or Greece, which are hardly comparable on the same indicator (in the murder rate they are respectively 1,2; 1,1) or Mexico which has the same happiness level as countries like France (1,4) or Austria (0,5).

Data for North American countries such as the USA or Canada show several differences. Whereas Canada has rather high levels of freedom in most of the chosen indicators, the USA, which is the 4th most unequal country in the OECD, leads the ranking in both economic indicators, but shows low levels of personal security and employment conditions. What is interesting about the USA is that despite the fact that it is the richest OECD country both in income and wealth, it has almost the same long-term-unemployment rate as Turkey (2,85 and 3,11 respectively) that is rather below the OECD average on both economic indicators. The USA also has a higher position than Mexico (0,13), the 2nd lowest in income and the 6th lowest in wealth. Because of this, the classic hypothesis that economic growth is the best way of avoiding serious social problems does not seem to be supported by empirical evidence, at least not by this case. Nevertheless, the USA, Turkey and Mexico all are at the top of the inequality ranking (respectively, 5th, 4nd and 1st). This fact evidences how the absolute amount

of income and wealth is not fully descriptive of the real QL of a society (USA is on the top and Mexico at the bottom of economic indicators). Instead, it demonstrates how the real relevant element for good social opportunities outcomes relies on the way that resources are redistributed in society. In fact, despite the enormous differences in the quantity of resources available, they all have scarce social outcomes. The study on inequality carried out by Wilkenson and Pickett (Wilkenson, Pickett: 2009) shows the relevance of equality for people's WB in the face of mere economic growth (GDP) or pure economic analyses.

The findings of this study also indicate that in most unequal societies, wealth is generally higher than income per capita (USA, Mexico, Israel, Italy etc.), and conversely, that in more equal societies it is more difficult to accumulate large amounts of wealth. The striking example is Norway (the 2nd lowest on this indicator-5721 and 2nd highest on income per capita 29.366), as well as the other Nordic countries, which are top ranking in equality and very high in income, but below the OECD average in accumulating wealth. This evidence suggests that a welfare state that redistributes resources and services probably has much to do with this occurrence, but also with the achievement of general positive social outcomes. In fact, the hypothesis of a close relationship between inequalities and limited freedom seems to be confirmed by the fact that the highest levels of freedoms (thus WB and QL) can be found in more equal societies.

With the only exception being the Nordic EU countries, happiness and equality do not clearly show as tight a relationship as freedom seems to do. A comparative study reported that low levels of political freedom and inequality in income distribution or socioeconomic level of development (GNP per capita) do not have a decisive influence on feelings of happiness (Haller, Hadler: 2004). Other scholars show similar findings, that is, the existence of a negative relationship between a nation's GDP/GNP and happiness (Veenhoven: 1993; Frey & Stutzer: 2000; Brickman and Campbell: 1971; Easterlin: 2001; Hirsch: 1977). In particular, they show that higher household incomes correlate positively with respondents' retrospective assessments of life satisfaction, but economic growth has not been accompanied by a corresponding rise of subjective well-being. It also seems that life satisfaction, as an overall vision concerning people's WB, is more sensitive to economic conditions than happiness (Inglehart, Foa, Peterson, Welzel: 2008). Furthermore, there is evidence that subjective

well-being does not reflect social inequality, not only in under-developed countries but also in some EU countries such as Germany and Austria (Haller and Hadler: 2004, p. 222). However, perhaps not all policies that pursue equality generate equal happiness, but several data show that societies that have a welfare state defined as universal (Esping-Andersen: 1990) have not only the highest levels of opportunity-freedoms and equality but also more happiness (Paceck, Radcliff: 2008). In fact, it seems that the universal welfare state generating economic and social equality, sense of belonging, high trust and low political corruption also generates happiness as a side-effect (Rothstein: 2010).

The situation is more perceptible when we look at the OECD life satisfaction ranking. In fact, in contrast with happiness, life satisfaction conceptually involves more variables than mere feelings and therefore is more sensitive to the effect played by certain social phenomena, such as the presence of inequality or poverty or scarce freedoms (See appendix A). Findings show how, in many growing economies and emerging markets, subjective well-being did not increase as much as expected and proportionally with the increase of the national GDP, as the classical development literature naively presupposes. China is the worst positioned (4,6), followed by India (5), Russia (5,3) and Indonesia (5,4). Conversely, all Nordic countries (Denmark, Norway, Sweden, Finland), but also Switzerland, Netherlands and Austria, which constitute some of the most egalitarian countries in OECD and which all have robust welfare states, are the highest positioned. This can be appreciated as additional proof of the great importance of welfare state provision for people's WB and for the achievement of desirable social outcomes. The great importance of a welfare state for the improvement of people's living conditions is already very well-known (Winter, 1986 in Sen: 1988).

In conclusion, the main inferences we can extract from the findings are, on the one hand, that we cannot reject income inequality on the grounds of its consequences for happiness (Berg, Veenhoven in Greve: 2010) and on the other hand, that economic outcomes often have nothing to do with fair distribution of wealth and/or good social outcomes. In fact, it was observed that freedom indicators match more closely with a higher presence of equality in society (and thus higher social justice). For all these reasons, and considering the premises of this study, this is seen as support for the main assumption of the inability of traditional monetary measures and subjective indicators to adequately represent the real conditions of a society, the real

opportunities opened to individuals within it and, consequently, their unsuitability for being the adequate informational base for a public policy oriented to the expansion of people's opportunities (freedoms) for good life.

4. Final Remarks

The theoretical discussion has shown that the most important methodological contribution of the CA to social sciences is the creation across the concepts of capabilities and functionings of a wider normative evaluative space for QL. In fact, the CA, by defining functionings (doings and beings) as the basic unit, instead of opulence, utilities, primary goods or negative rights, it surpasses earlier measurements of people's WB. On the one hand, the criticisms of the standard Welfarism and revealed preferences approach, the focus on the freedom to achieve, and people's real life-chances (i.e. capabilities) have demonstrated the inappropriateness of traditional subjectivist utilitarian views providing arguments for its rejection. On the other hand, the metric based on capability (as an expression of people's positive freedom) also overturn the traditional egalitarian thinking and over-objective indicators of WB. In fact, the CA's focus on multiple variables (as a deeper reflection on the multiple expressions of the WB) as well as the critical interpersonal evaluation of the targets pursued as individuals, but also as a society (as a deeper reflection on the plurality of human ends), may better represent people's advantage. Additionally, in order to support state interventionism, all these elements may more properly indicate what kind of individual and societal progress and which ideal of good life is "rational" and legitimate to pursue in the short and long term, in times of positive growth, and particularly, during periods of stagnant economies.

The components emphasized here reveal that there could be certain correlation with the empirical findings. It seems that this study gives sufficient support to the principal claim of the closeness between freedom, equality and social justice. In fact, it clearly shows that the most equal countries and those with more developed welfare states achieve better outcomes in all areas. The empirical evidence also illustrates the influence of phenomena such as adaptation and individual or social conditionings on subjective well-being, especially on happiness and the tightness of focusing only on monetary measures. The five instrumental freedoms demonstrated the complementariness for human welfare of monetary and non-monetary

aspects and how they are essential both for individuals' lives and societal development. Actually, if we consider not only individual advantage, but also societal advantage, it becomes more evident that what is good for an individual cannot be equally good for a society. This is also shown by well-known collective action paradoxes, such as the prisoner dilemma. In particular, if happiness can be a sufficient measure for evaluating certain simple life-situations, it plays a much smaller role in overall analysis of people's WB in complex societies. The situation in Latin American countries, and in many ways also the Southern EU countries, provided limited support for the legitimacy of the use of subjective indicators as an informational base for public policy. Some of these countries show the highest degrees of income inequalities and the lowest levels of freedoms in every section, but at the same time, their populations are among the happiest in the world. Another important consideration is that subjective well-being is demonstrably dependent from the starting position of the subject. A person living below the subsistence level will greatly increase their satisfaction through small improvements which would seem insignificant to others living in better circumstances.

In conclusion, the purpose of a good society should not be merely to "improve" the miserable economic conditions of its citizens, or their satisfaction or self-perception about their own condition but to achieve an "objectively good" level of human development and QL, that is, also sustainable over time and generations. It is also necessary to working towards elevating recognized international standards in these fields. In this task, a theoretical framework capable of providing wider, objective and realistic picture of an individual's WB, which includes their needs, aspirations and real opportunities, and that positively embraces some civic desiderata (e.g. equality, social justice, solidarity, environmental sustainability), as the CA does, should be a societal priority. In the light of the insights that the CA offered to the design of public policy and to the promotion of a new ideal of Human Development, the recommendation made by this study is in favour of providing more social protection for all individuals against any form of vulnerability, such as unemployment, illness, poverty, or social exclusion, as preferential way to achieve proper QL standards. According to the available evidence, this can only be achieved through a universal welfare state. Indeed, only this kind of societal arrangement providing higher levels of equality (and social justice) has shown to be capable of guarantee comprehensive forms of support and the best outcomes in terms of overall QL.

Appendix A: CA-oriented multidimensional indicator of freedom of choice
 Source: OECD Better life Index and OECD Better life compendium

AREAS	INDICATORS	HIGHEST (1st to 3rd position)	LOWEST	HIGH	LOW
GOVERNANCE AND DEMOCRATIC PARTICIPATION	Voter turnout (between 2004-2008) OECD average:72	Australia 95 (2007) Belgium 91 (2007) USA 90 (2008)	Switzerland 48 (2007) Poland 54 (2007) Slovak Republic 55 (2006)	Chile 88 Denmark 87 Brazil 85 (2008) Turkey/France/ Iceland 84 Sweden 82 Austria 82 Italy 81	Israel 65 Portugal/Hungary/ Czech Republic 64 Korea/Slovenia 63 Estonia 62 UK 61 Canada 60 Mexico 59 Luxembourg 57
	Number of people voting as % of the registered population	(Over 90)	(Below 55)	(Above 80)	(Below 65)
	Consultation in rule-making (2008) OECD average:7,28	UK 11,50 Sweden 10,88 Poland 10,75	Chile 2,50 Israel 2,50 Estonia 3,50	Australia 10,50 Canada 10,50 Korea 10,38 New zealand 10,25 Slovenia 10,25 Finland 9 Ireland 9 Mexico 9	Luxembourg 6 Turkey 5,50 Iceland 5,13 Italy 5 Belgium 4,50 Germany 4,50 France 3,50
	Composite index, increasing with the number of key elements of formal consultation processes			(Above 9)	(Below 6)

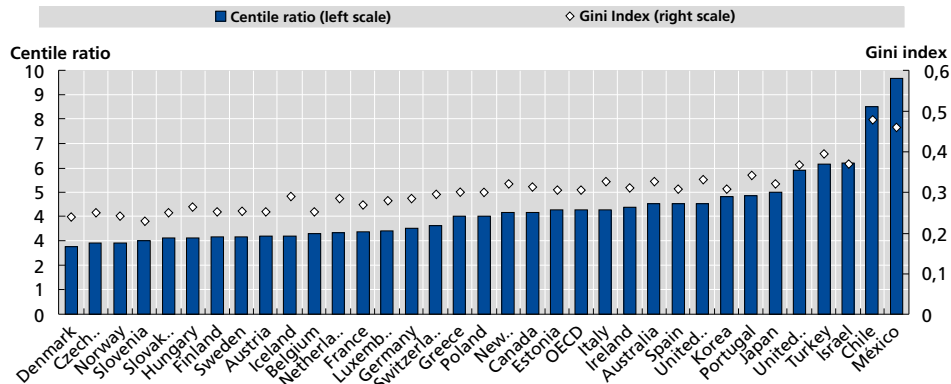
ECONOMIC STRUCTURE	Household net adjusted disposable income per capita (2008) OECD average:22.284	USA 37.685 Norway 29.366 Austria 27.670	Chile 8712 Mexico 12.182 Estonia 13.486	Germany 27.665 Switzerland 27.542 France 27.508 UK 27.208 Australia 27.039 Canada 27.015 Sweden 26.543 Belgium 26.008 Netherlands 25.977 (Above 25.000)	Slovenia 19.890 New Zealand 18.819 Portugal 18.540 Czech Republic 16.690 Korea 16.294 Slovak republic 14.490 Hungary 13.858 Poland 13.811 (Below 20.000)
	USD (PPPs adjusted)	USA 98.440 Switzerland 93.415 Japan 70.033	Slovak Republic 2366 Norway 5721 Poland 7479	Belgium 69.487 Israel 62.684 UK 60.382 Netherlands 60.280 Canada 59.479 Italy 53.452 (Over 50.000)	Finland 18.616 Greece 15.856 Czech Republic 12.685 Mexico 11.590 Hungary 11.426 Estonia 11.202 (Below 20.000)
PERSONAL SECURITY	Intentional homicide rate (2007-8) OECD average:36.808	South Africa 37 (2004) Brazil 23 (2007) Russia 19 (2009)	Iceland 0 Slovenia 0,5 Austria 0,5 Japan 0,5	Mexico 11,6 Chile 8,1 Estonia 6,3 USA 5,2 (Above 5)	Netherlands 1 Sweden 0,9 Spain 0,9 Germany 0,8 Switzerland 0,7 Norway 0,6 (Below 1)
	Average number of reported homicides per 100 000 people				

JOBS AND EARNING	<p>Employment rate (at least one paid hours in the previous week, 2010) OECD average:64,52</p>	<p>Turkey 46,29 Hungary 55,40 Italy 56,89</p>	<p>Netherlands 74,67 Denmark 73,44 Sweden 72,73 New Zealand 72,34 Australia 72,30 Austria 71,73 Canada 71,68 Germany 71,10 Japan 70,11</p> <p>(Above 70%)</p>	<p>Ireland 59,96 Greece 59,55 Chile 59,32 Poland 59,26 Israel 59,21 Slovak Republic 59,76 Spain 58,55</p> <p>(Below 60%)</p>
	<p>% of the working age population (15-64)</p>	<p>Switzerland 78,59 Iceland 78,17 Norway 75,31</p>	<p>(Above 4)</p>	<p>(Below 1,50)</p>
	<p>Long-term unemployment rate (2010) OECD average:2,74</p> <p>% of people, aged 15-64, who are not working but have been actively seeking a job for over a year</p>	<p>Korea 0,01 Mexico 0,13 Norway 0,34</p>	<p>Ireland 6,74 Portugal 5,97 Greece 5,73 Hungary 5,68 Italy 4,13 Belgium 4,07</p>	<p>Switzerland 1,49 Denmark 1,44 Sweden 1,42 Iceland 1,35 Luxembourg 1,29 Netherlands 1,24 Austria 1,13 Australia 1,00 Canada 0,97 New Zealand 0,60</p>

<p>EDUCATION AND SKILLS</p>	<p>Educational attainment (2008) OECD average:72,95</p> <p>% of people, aged 15-64, having at least an upper-secondary (high-school) degree</p>	<p>Czech Republic 90,90 Slovak Republic 89,93 USA 88,70</p>	<p>Portugal 28,25 Turkey 30,31 Mexico 33,55 Brazil 38</p>	<p>Estonia 88,48 Poland 87,15 Canada 87,07 Japan 87,00 Switzerland 86,81 Germany 85,33 Sweden 85,04 Slovenia 82,04 Israel 81,23 Finland 81,07 Austria 81,04 Norway 80,70</p> <p>(Above 80)</p>	<p>France 69,96 Australia 69,72 UK 69,63 Belgium 69,58 Ireland 69,45 Chile 67,97 Luxembourg 67,94 Iceland 64,13 Greece 61,07 Italy 53,31 Spain 51,23</p> <p>(Below 70)</p>
<p>LIFE SATISFACTION</p>	<p>Average self-evaluation on a scale from 0 to 10 (2008-10) OECD average:6,7</p>	<p>Denmark 7,8 Canada 7,7 Norway 7,6</p>	<p>China 4,6 Hungary 4,7 Portugal 4,9</p>	<p>Switzerland 7,5 Sweden 7,5 Netherlands 7,5 Australia 7,5 Israel 7,4 Finland 7,4 Austria 7,3 Ireland 7,3 USA 7,2 New Zealand 7,2 Luxembourg 7,1</p> <p>(Above 7)</p>	<p>India 5 Estonia 5,1 South Africa 5,2 Russia 5,3 Indonesia 5,4 Turkey 5,5 Greece 5,8 Poland 5,8</p> <p>(Below 6)</p>

Appendix B: The divide between the rich and poor

Household disposable income: Gap between the 10th and the 90th centile and the Gini index in the late 2000s



Source: OECD Income Distribution and Poverty, OECD Social Expenditure Statistics (database) ECONOMIC POLICY REFORMS 2012: GOING FOR GROWTH (OECD 2012).

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