



FEMISE RESEARCH  
PROGRAMME

**2008-2009**

***Social Cohesion Policies in  
Mediterranean Countries:  
an Assessment of Instruments and Outcomes***

***Research n°FEM33-05***

***Directed By***

***Marco Zupi and Elisenda Estruch-Puertas, CeSPI, Rome, Italy***

*In collaboration with:*

*Ahmed Driouchi, IEAPS, Al Akhawayn University, Ifrane, Morocco;  
Marina Izzo, CeSPI, Rome, Italy*

**October 2009**



Ce rapport a été réalisé avec le soutien financier de l'Union Européenne au travers du Femise. Le contenu du rapport relève de la seule responsabilité des auteurs et ne peut en aucun cas être considéré comme reflétant l'opinion de l'Union Européenne.

This document has been produced with the financial assistance of the European Union within the context of the FEMISE program. The contents of this document are the sole responsibility of the authors and can under no circumstances be regarded as reflecting the position of the European Union.



**CeSPI**  
Centro Studi di Politica Internazionale

# **Social Cohesion Policies in Mediterranean Countries: an Assessment of Instruments and Outcomes**

By Marco Zupi and Elisenda Estruch-Puertas  
(CeSPI, Rome, Italy)

In collaboration with:  
Ahmed Driouchi,  
(IEAPS, Al Akhawayn University, Ifrane, Morocco)

Marina Izzo,  
(CeSPI, Rome, Italy)

## **FEMISE Internal Consultation 2008-2009 Research Project FEM33-05**

*This document has been produced with the financial assistance of the European Union within the context of the FEMISE program. The contents of this document are the sole responsibility of the authors and can under no circumstances be regarded as reflecting the position of the European Union.*

*Ce document a été réalisé avec l'aide financière de l'Union Européenne au programme FEMISE. Le contenu de ce document relève de la seule responsabilité des auteurs et ne peut en aucun cas être considéré comme reflétant la position de l'Union Européenne.*



October 2009

## Table of contents

Résumé exécutif .....	1
Executive Summary .....	9
<b>1. Introduction</b> .....	<b>15</b>
1.1. Context and objectives.....	15
1.2. Structure of the report.....	20
<b>2. Social cohesion in the Mediterranean: comparing concepts and policies</b> .....	<b>22</b>
2.1. Alternative visions and approaches to social cohesion.....	22
2.2. The concept of social cohesion within the EU framework.....	25
2.3. Social Cohesion in the Arab World .....	28
2.3.1. Past and recent trends in social cohesion.....	28
2.3.2. The EU approach to social cohesion as a reference for Arab countries.....	30
2.4. Social dialogue to promote social cohesion at the local level: a common challenge.....	32
2.5. Social cohesion in education and health.....	34
2.5.1. Education and social cohesion.....	34
2.5.2. Health and social cohesion.....	38
2.6. Social cohesion policies in education and health care in the EU and in Southern Europe .....	40
2.6.1. Main features of Southern Welfare State.....	40
2.6.2. Main policies in health: EU and Southern Europe .....	40
2.6.3. Main policies in education: EU and Southern Europe.....	47
2.7. Approaches and reality in South Mediterranean countries .....	57
2.7.1. Determinants of Social Deficits.....	57
2.7.2. Further Determinants of Poverty in the Arab World .....	59
2.7.3. Extent of Social Deficits .....	61
2.7.4. Policies supporting social cohesion in Arab countries.....	71
2.7.5. Social Reforms in the Region .....	74
<b>3. Measuring social cohesion and convergence in the Mediterranean</b> .....	<b>77</b>
3.1. Indicators for the Measuring of Social cohesion.....	77
3.1.1. EU indicators to social cohesion.....	78
3.1.2. Implications for South Mediterranean countries .....	87
3.2. Data Analysis in Egypt, Morocco and Syria.....	89
3.2.1. Descriptive statistics and country comparisons.....	89
3.2.2. Trend analysis .....	90
3.2.3. Comparative analysis of progress in MDGs.....	96
3.3. Fuzzy sets in Europe and Morocco and Egypt .....	97
3.3.1. Introduction.....	97
3.3.2. Fuzzy Sets Analysis.....	98
3.3.3. Empirical Analysis.....	101
3.3.4. Fuzzy Ideal-type Analysis.....	110
3.3.5. Comments for further research .....	115
<b>4. Conclusions</b> .....	<b>116</b>
References .....	124

## Résumé exécutif

La convergence est un terme large. C'est à la fin des années 1980 que les économistes ont commencé à consacrer leur attention à une analyse du problème de la convergence entre les pays. Lorsque nous passons à un concept plus large de convergence qui englobe à la fois les notions de croissance économique et un ensemble plus large de questions socio-économiques tels que la santé, l'éducation, la pauvreté et la distribution (sans prendre en compte la question émergente de la durabilité de l'environnement liés à l'agenda du changement climatique) les choses deviennent plus complexes. Le concept d'exclusion sociale et le débat politique sur la cohésion sociale se répandent largement. Dans le contexte de l'UE, il a évolué jusqu'au point de même assimiler celui de la pauvreté, tandis que dans la région Méditerranée du Sud, on prend davantage conscience de la pertinence de ce concept en vue de nouvelles sources de vulnérabilité. C'est pourquoi, à travers la région euro-méditerranéenne, de nombreux travailleurs et les personnes en bonne santé perçoivent cette vulnérabilité accrue, qui ne peut pas être expliquées par leurs caractéristiques et performances, mais plutôt par les transformations socio-économiques structurelles (licenciements massifs, la perte du statut social, maladie) qui peut conduire à l'exclusion sociale. Cette vulnérabilité sociale, économique, culturelle et politique doit être compris, et y remédier, comme une question multidimensionnelle qui affecte la grande majorité de la population. De même, l'écart entre les plus riches et les pauvres est en croissance et en ce qui concerne non seulement la distance entre les riches et les couches les plus pauvres de la population, mais aussi le fossé entre la société majoritaire et ceux qui restent.

Contrairement à l'exclusion sociale, le concept de cohésion sociale, un concept relativement nouveau dans le débat sur la pauvreté, apporte un éclairage sur le caractère des processus sociaux et les dynamiques qui produisent l'état de l'exclusion, l'analyse de la perte de possibilités causé par l'impossibilité des groupes exclus d'avoir accès aux biens matériels et immatériels. Quelque part, ce concept reflète le fait que les sociétés ont évolué vers une réalité de la vulnérabilité accrue et un plus grand risque de pauvreté qui ne sont plus l'apanage de groupes marginaux traditionnels.

Si nous passons au niveau de la politique, les principaux instruments pour promouvoir la cohésion sociale au niveau interne de l'UE ont été créés dans le cadre de la Méthode ouverte de coordination (MOC) pour l'inclusion sociale. Le concept de cohésion sociale est également explicite dans le programme d'élargissement de l'UE, et de là il est filtré dans les objectifs de la politique de voisinage. La Politique européenne de voisinage (PEV), avec le Processus de Barcelone, constitue le cadre institutionnel qui guide les relations de l'UE avec la rive sud de la Méditerranée.

Ce qui concerne spécifiquement à la cohésion sociale, il apparaît non seulement comme un objectif à poursuivre par les PPM, mais comme un instrument de promotion de la convergence entre les deux régions. Le Partenariat euro-méditerranéen a été lancé en 1995, mais le processus d'intégration économique entre les deux rives de la Méditerranée n'a pas été significatif. La lenteur des réformes économiques et politiques dans la rive sud ainsi que le faible niveau d'intégration Sud-Sud ont constitué un obstacle puissant à l'intégration Nord-Sud. Cet écart s'est accru avec le processus d'élargissement européen, l'approfondissement des relations avec les pays de l'Europe orientale et la projection croissant de pays de l'UE vers les marchés asiatiques. Le processus de convergence économique entre pays du nord et du sud de la Méditerranée n'a pas bénéficié de la lenteur de l'intégration économique.

Nous ne devons pourtant entendre pas la convergence en termes économiques de la même manière que nous le faisons pour la cohésion sociale. Pour la convergence économique, il ya une compréhension théorique commun qui définit les principaux facteurs déterminants pour la croissance et comment elles s'appliquent à des schémas de convergence. D'autre part, la convergence en termes de cohésion sociale renvoie à un processus plus large, en raison de la conceptualisation multidimensionnelle et dynamique du concept sous-jacent lui-même. Ici, l'exercice théorique est d'identifier quels sont les principaux éléments que dans certaines sociétés favorisent ou compromettent la réalisation d'une plus grande cohésion sociale.

Dans le cadre du Partenariat euro-méditerranéen, cela pose des questions importantes au niveau conceptuel (par exemple, comment définir une compréhension commune de la cohésion sociale entre les deux rives de la Méditerranée?), mais aussi au niveau empirique (par exemple, quels indicateurs et méthodologies d'analyse sont capables de capter la complexité de la cohésion sociale tout en assurant la pertinence quant à la conception des politiques?).

Ce projet de recherche vise à répondre à ce type de questions dans une perspective comparative en utilisant une approche de cohésion sociale. En particulier, la comparaison entre certains pays comme l'Égypte, le Maroc et la Syrie, et l'Italie, la Grèce et l'Espagne pourrait être particulièrement intéressante, dans le cadre d'une comparaison générale entre les pays de l'UE et leurs partenaires méditerranéens. Bien que la nature des processus qui conduisent à l'exclusion sociale dans les pays donné est très différente, tous confrontés à des défis similaires en ce qui concerne la conception des politiques sociales: renforcement de la cohésion sociale et la compétitivité, face à des contraintes budgétaires serrées et d'une forte demande sur le la qualité des services publics.

La valeur principale du projet réside dans le fait que la notion de cohésion sociale n'est pas encore largement répandue parmi les PPM, et analyser les politiques sociales marocaines, égyptiennes et syriennes existantes à travers une approche de la cohésion sociale, qui diffère de l'approche prévalant dans ces

pays (à savoir, le Développement humain) implique donc un effort. En outre, le projet utilise des sources existantes de données d'indicateurs sociaux comparables. Ces indicateurs servent à évaluer de quelle manière les indicateurs de la cohésion sociale européenne et les techniques novatrices d'analyse peuvent être utilisées pour mesurer la cohésion sociale dans l'UE et les PPM, compte tenu des données disponibles.

De ce projet, nous vous confirmons qu'un préconçu «ideal» point de référence de ce qui constitue un exemple réussi de la jurisprudence de la cohésion sociale (en termes d'approches, politiques, instruments et résultats) sont difficiles à trouver et insuffisante, même au sein le contexte d'une comparaison entre les pays européens 'homogènes'. En d'autres termes, il n'existe aucune référence prédéfinie sur la politique de cohésion sociale, car une sorte de point de référence peut être dérivée à partir du résultat d'une analyse comparative des dimensions telles vagues et parce que nous devons considérer les différentes dimensions et perspectives - comme les instruments , les politiques et les résultats - en matière de cohésion sociale. La prédominance du secteur, plutôt que globale, les approches pour aborder en termes concrets les objectifs des différentes politiques, telles que la cohésion sociale, en Europe et dans les PPM implique que les points de référence doivent être étendues en tenant compte des intrants, l'efficacité, l'efficacité en termes de potentiels et finals des résultats dans les différents secteurs d'intérêt et, au cas où, dans leur interaction. Cette hypothèse signifie qu'il est toujours possible d'agrandir ou de réduire divers inputs outputs (et résultats) avec différents facteurs communs.

Dans l'ensemble, il n'existe aucun argument qui ferait qu'il convient de s'opposer sérieusement à une certaine convergence politique et institutionnelle vers la cohésion sociale, conçue comme une méta-institution pour mieux promouvoir les résultat de répartition qui sont plus souhaitables. Selon cette perspective, l'interprétation de la cohésion sociale est qu'elle contribue à bâtir de meilleures institutions et des politiques en termes de 'moins de chômage avec plus de distribution'. Il est vrai aussi que la définition d'un tel résultat commun lui seul est déjà une simplification du monde réel et de l'imprécision du concept de cohésion sociale. Cependant, on pourrait soutenir que, au moins dans le contexte de l'UE puisque le Conseil de Lisbonne en l'an 2000, garantir des niveaux élevés d'emploi et promouvoir un modèle social inclusif ont été les points principaux de l'agenda de l'UE pour la politique sociale. Cette proposition peut alors être traduit en termes opérationnels par le biais d'un modèle qui vise à améliorer les interactions positives entre la politique sociale (pour assurer une plus grande cohésion sociale), la politique de l'emploi (pour augmenter les niveaux d'emploi) et la politique économique (pour promouvoir l'efficacité et la compétitivité). L'hypothèse discutable est que ces objectifs sont parfaitement complémentaires, et l'estimation des résultats possibles et concrètes sur la cohésion sociale dépend fortement du fait que la transformation exacte de l'une 'unité' d'entrées en une seule 'unité' de sorties respectives, et puis en résultats, est imprécis.

Efficacité en termes de cohésion sociale peut alors prendre une multitude de formes, et la convergence économique entre l'UE et les PPM n'implique pas nécessairement la convergence de la cohésion sociale: des institutions et des paysages sociaux et politiques différentes peuvent générer l'hystérésis et la dépendance de sentier. Par conséquent, le développement dépend par des solutions à des problèmes précis lesquelles peuvent se trouver dans les institutions et les politiques d'innovation, ainsi que dans les stratégies économiques non conventionnelles de rattrapage. Dans ces conditions, il n'ya pas de best practice à découvrir. Et l'inconvénient d'une telle comparaison est, bien sûr, la difficulté d'acquisition de données appropriées et fiables: de plus il ya d'unités de comparaisons, plus il est probable que d'autres unités avec une portée similaire peuvent être disponible pour la comparaison.

Le premier chapitre du rapport présente le contexte et les objectifs de la recherche. Dans le deuxième chapitre, les principales approches conceptuelles et les stratégies politiques dans les deux rives de la Méditerranée sont évalués. Plus précisément, les paradigmes principaux à l'idée de cohésion sociale sont passées en revue tout en s'attaquant aux débats conceptuels et les différences sont examinées afin de recueillir des preuves concernant la compréhension autour de la cohésion sociale entre les pays de l'UE et les PPM, et dans les deux régions. Ce chapitre traite également des politiques visant à promouvoir une plus grande cohésion sociale dans deux secteurs, à savoir: l'éducation et la santé. Plus précisément, nous examinons les principaux liens entre les politiques dans ces deux secteurs et la cohésion sociale. Nous sommes conscients que dans l'éducation il y a de plus en plus d'attention sur non seulement de viser les inégalités dans l'accès mais aussi dans la réalisation; tandis que dans la santé une plus grande attention est accordée à lutter contre les inégalités en termes de mortalité, de morbidité et d'accès aux soins de santé. La qualité des services fournis se pose comme une question principale dans les deux secteurs, liés notamment à veiller à ce que tous les individus aient accès à des services de qualité. Nous allons plus loin dans notre analyse en étudiant la manière dont ces questions sont traduites en action politique.

Nous examinons à la fois les réalités de l'UE et des PPM dans une perspective comparative. Sur le côté de l'UE, nous le faisons en mettant l'accent sur les pays de l'Europe du Sud, qui présentent certaines particularités en termes de régime de protection sociale et structure socio-économique. En fait, ils sont caractérisés par un recours relativement plus importante à la famille en tant que prestataire de soins par rapport aux autres réalités européennes, avec une plus grande part de l'informel dans leurs économies et relativement plus faible capacité administrative. Ces composants spécifiques créent des problèmes à la façon dont les politiques dans le domaine social vont relever de nouveaux défis. Nous mettons l'accent sur les soins de santé et l'éducation, où les inégalités et la qualité des services sont en hausse en importance en termes d'objectifs politiques pour promouvoir une plus grande cohésion sociale.

L'impact du vieillissement de la société et les accrues dynamisme et incertitudes dans les sociétés actuelles sont également des défis bien perçus dans ces pays. D'autre part, des cadres politiques dans les secteurs de la santé et l'éducation sont passés en revue pour les PPM, en se concentrant sur la Syrie, le Maroc et l'Egypte. La principale conclusion à cette partie serait qu'il y a des divergences significatives sur le plan conceptuel entre le Nord et le Sud de la Méditerranée. Il est néanmoins possible d'améliorer la discussion et la coopération entre les universités et les décideurs politiques à travers les deux rives, ce qui pourrait contribuer à une meilleure compréhension des implications politiques des différentes approches théoriques et de comment ils sont convergents dans le cadre de la PEV.

Dans le troisième chapitre, nous passons à la mesure et à des questions empiriques. Compte tenu de l'intérêt croissant parmi les PPM dans la mesure des progrès des politiques de cohésion sociale (principalement grâce aux efforts déployés dans le cadre des OMD), le système communautaire d'indicateurs sociaux est décrite tout en identifiant leur potentiel de mesure dans le cadre des PPM. En particulier, il existe un certain nombre de domaines dans lesquels des indicateurs supplémentaires devraient être incluses dans le but de capturer de manière adéquate les progrès réalisés dans ces pays et d'assurer la pertinence en termes d'élaboration des politiques. Ensuite, une analyse descriptive et des tendances est effectué afin d'évaluer la convergence entre les pays partenaires méditerranéens (à savoir, la Syrie, Maroc et Egypte) en grandes dimensions sociales dans les secteurs des soins de santé et de l'éducation. Il est suivi par une analyse empirique qui tente d'évaluer la convergence et la divergence entre les pays de l'UE (à savoir, l'UE15) et les pays partenaires méditerranéens (Maroc et Egypte).

L'analyse applique une méthodologie innovante, celle des fuzzy sets, qui est capable de capturer les changements qualitatifs autant que quantitatifs dans le temps. Cette méthodologie est particulièrement utile pour aborder le souci de combiner les dimensions quantitatives et qualitatives ainsi que pour réfléchir un concept plus ouvert et plus large de convergence, en refusant tout modèle a priori ou de référence (représentés par un seul système ou des régimes sociaux différents) et par accepter l'idée de régimes naturellement multiples ou de systèmes coexistants (avec différents degrés de l'adhésion) à l'intérieur d'un pays. Tout en rencontrant certaines limitations des données, cela vaut pour les politiques de cohésion sociale dans l'éducation et les soins de santé au cours des années 2000. La politique sociale en général occupe des positions différentes dans l'ordre du jour des gouvernements nationaux, et n'est pas liée aux mêmes indicateurs objectives du welfare d'un pays à un autre. Une analyse comparative centrée sur l'évolution des indicateurs sociaux qui sont plus facilement comparables entre les pays que les analyses qualitatives politique sociale doit prendre en compte cette limitation. La part empirique de ce rapport montre que, selon l'usage spécifique de l'approche des fuzzy sets appliquée à notre ensemble de données, en comparant les ans 1999 et 2006, un processus de convergence se passe au sein de l'UE-15 en termes de mouvement vers le même

type-idéal (I) pour la santé, et le maintien d'un type-idéal donné (IX) pour l'éducation, tandis que le tableau est beaucoup plus ambigu pour les deux PPM au titre de l'enquête (avec l'Égypte et le Maroc ayant un modèle plus semblable pour la santé que l'éducation). Toutefois, les données doivent être considérées avec précaution car il y a des décalages importants dans les mécanismes qui permettent aux ressources financières d'être traduites en politique sociale, à la politique sociale d'améliorer les indicateurs sociaux, et aux statistiques de capturer des améliorations réelles. Le défaut de traduire les ressources en améliorations de la protection sociale grâce à des instruments de politique sociale peut découler d'un manque de volonté politique, des faiblesses institutionnelles et d'inefficaces instruments de politique sociale.

Le dernier chapitre tire les principales conclusions et souligne les domaines de recherches futures. Plus précisément, nous concluons que mesure dans laquelle la notion de cohésion sociale et toutes les différentes dimensions et leurs inputs, les produits et résultats demandent une nouvelle vision de ce qui est en cause pour expliquer les différentes façons dont la cohésion sociale peut se produire dans l'UE, les PPM et à l'étranger. Ce qui est important, pour notre but, c'est de critiquer l'idée d'un profil unique et irréductible qui vient avec la cohésion sociale. Le concept est sans aucun doute flou et affectée par les interactions sociales particulières qui un pays donné connaît pendant 'une période donnée. De même, nous ne devrions pas sous-estimer l'importance du contrôle intentionnel et non intentionnel que les politiques publiques exercent sur la cohésion sociale, et le contrôle très partiel que les politiques peuvent à leur mieux exercer. Les actions politiques sont donc toujours limitées, car elles sont liées pour plusieurs raisons, et les politiques sectorielles sont réellement beaucoup limitées. Ainsi, nous considérons que la cohésion sociale comme une question importante et historique de nos sociétés contemporaines qui ne peut être refusée. Dans le même temps, toutes les définitions actuelles de la cohésion sociale (ainsi que le concept de développement humain) dans l'UE et les régions partenaires méditerranéens ont de profondes similitudes conceptuelles et opérationnelles. D'une certaine manière, il semble que ce n'est que le détail qui diffère.

Nous pensons que la notion de cohésion sociale peut bien s'appliquer à beaucoup de pays partenaires méditerranéens, au moins pour deux raisons. D'un côté, il n'est pas nécessaire d'être ancrée au sens occidentalisé des concepts comme une conséquence de l'influence social et culturel de l'Occident partout dans le monde, et chaque fois qu'il est possible des approches plus complexes et ouvertes à des concepts généraux (comme la cohésion sociale), peuvent être préférable, afin de refléter l'importance des autres cultures, modes de vie et mentalités. De l'autre côté, un facteur politique essentiel des régimes occidentaux de welfare state, la nécessité de créer un consensus et la cohésion politique dans le processus d'édification de la nation, est exactement ce qu'il ya derrière les politiques sociales définies et mises en œuvre par les gouvernements dans les PPM. En théorie, les économies des PPM peuvent

exploiter la possibilité d'adopter certaines institutions et politiques sociales sur la base des résultats d'expérience dans les pays de l'UE, sans attendre un stade ultérieur de développement.

Implicites dans de nombreuses analyses comparatives est l'hypothèse que, malgré la complexité des régimes politiques, les structures sociales, la culture, la position géographique et la taille, certains faits fondamentaux macro-économiques, politiques et institutionnelles peuvent être utilisés pour résumer certaines des caractéristiques similaires ou différents des économies de l'huile dans le monde. En particulier, sans avoir la ambition d'une théorie, ce rapport a tenté d'identifier quelques éléments de base de l'homogénéité et de l'hétérogénéité des situations entre l'UE et les PPM, en termes de structures, ainsi que des trajectoires de développement, au moins dans la perspective limitée de la dernière décennie, plutôt que dans une perspective à long terme. L'accent mis sur les institutions qui affectent le fonctionnement du marché et, en conséquence, sur la micro-économie de la croissance, reflète le changement important dans l'orientation, des questions macroéconomiques et structurelles, apparu dans la réflexion actuelle sur l'économie du développement depuis le milieu des années 1990. Un problème est que, comme noté by Stiglitz, les établissements signifient des choses différentes (règles, règlements, coutumes et organisations) à des personnes différentes, et tandis qu'il est facile d'identifier les résultats des bonnes institutions, il reste loin d'être clair comment faire pour créer de bonnes institutions.

Last but not least, un exemple particulièrement frappant de tels changements pertinents qui ne peuvent être facilement et assez précisément cartographiés et mesurés, ainsi que leur causes tout à fait bien compris, c'est le changement climatique. Le changement climatique a des impacts sur la santé humaine, en augmentant le taux de maladie et de mort liées au chaleur et au froid, et avec l'augmentation de la fréquence et/ou l'intensité des événements météorologiques extrêmes (comme les tempêtes). Il affecte aussi la santé humaine indirectement, à travers son impact sur l'approvisionnement alimentaire et les habitudes de la maladie, ainsi que par le lien entre l'aggravation des crises de l'énergie, la pénurie d'eau et les changements climatiques (particulièrement aiguës dans la région méditerranéenne). En outre, tous ces effets négatifs sont susceptibles de frapper plus durement les groupes les plus vulnérables de la population, qui vivent dans des conditions plus difficiles et ont moins d'un tampon contre l'adversité. Il est certain que le changement climatique est en cours, et il est clair que l'activité humaine est l'une des causes aussi bien que celle d'une certaine manière il affecte la vie sociale et la cohésion. Ainsi, les problèmes posés par les changements environnementaux mondiaux sont particulièrement difficiles pour les politiques avec l'«incertitude» de l'information et l'efficacité. Ce rapport ne tient pas compte de l'impact environnemental sur l'équité sociale et la cohésion. Les hypothèses habituelles des politiques publiques sur la croissance économique et développement social ne prévoient pas un tel défi.

Lié à ce regain d'intérêt dans le changement climatique, il y a une préoccupation commune qui peut être affrontée avec des réponses communes coordonnées. À cet égard, on ne fait pas seulement référence à la cohésion sociale, mais aussi à la cohésion territoriale. En concevant la Méditerranée comme un bio-région, nous référerons à un espace commun où les défis politiques qui voient déjà dans une grande multitude de domaines. De notre point de vue, l'ordre du jour devrait aller au-delà de l'intégration et accorder une attention particulière à ces questions. Dans les années à venir, les défis posés par le changement climatique pour le Mare Nostrum se déplacent sur le haut de l'agenda de la PEV vers la Méditerranée.

## Executive Summary

Convergence is a broad term. It is at the end of the 1980s that economists started devoting back their attention towards analysing the issue of convergence. When we move to a broader concept of convergence which encompasses both notions of economic growth and a wider set of socio-economic issues such as health, education, poverty and distribution (without considering the emerging issue of environmental sustainability linked to the climate change agenda) things become more complex.

The concept of social exclusion and the policy debate on social cohesion are spreading widely. In the EU context, it has evolved to the point of even assimilating that of poverty; while in the South Mediterranean region, there is growing awareness of the relevance of such concept in view of new sources of vulnerability. Hence, across the Euro-Mediterranean region, many employed and healthy persons perceive this increased vulnerability, which cannot be explained by their individual features and performance, but rather by structural socio-economic transformations (massive layoffs, loss of social status, illness) that may result in social exclusion. This social, economic, cultural and political vulnerability is to be understood, and addressed, as a multi-dimensional issue that affects the vast majority of the population. Likewise, the gap between the most affluent and the poor is growing and regards not only the distance between the richest and the poorest levels of the population, but also the gap between mainstream society and those left behind.

Unlike social exclusion, the concept of social cohesion, a relatively new concept in the poverty debate, sheds a light on the character of the social processes and dynamics that produce the condition of exclusion, analysing the loss of opportunities caused by the impossibility of excluded groups to have access to material and immaterial assets. Somehow, this concept reflects the fact that societies have moved towards a reality of increased vulnerability and greater risk of poverty that are no longer confined to traditional marginal groups.

Moving to the policy level, the main instruments to promote social cohesion at the EU internal level have been established in the context of the Open Method of Coordination (OMC) for Social Inclusion. The concept of social cohesion is also explicit in the EU enlargement agenda, and from there it filtered into the Neighbourhood Policy objectives. European Neighbourhood Policy (ENP), together with the Barcelona Process, constitute the institutional framework guiding the EU's relations with the Southern shore of the Mediterranean.

Specific to social cohesion, it appears not only as an objective to be pursued by MPCs but as an instrument to promote the convergence between the two regions. The Euro-Mediterranean Partnership initiated in 1995, but the process of economic integration between the two shores of the Mediterranean has not been significant. The slow pace of economic and political reforms in the Southern shore and the low levels of South-South integration have constituted a powerful obstacle to North-South integration. This gap has increased with the European Enlargement process, the deepening relations with eastern European economies and with the increasing projection of the EU countries towards Asian markets. The convergence process among northern and southern Mediterranean countries has not benefited from the slow pace of economic integration.

We should yet not understand convergence in economic terms in the same way as we do for social cohesion. For economic convergence, there is a common theoretical understanding that defines the main determinants for growth and how these apply to convergence patterns. On the other hand, convergence in terms of social cohesion would refer to a broader process, due to the multidimensional and dynamic conceptualisation of the underlying concept itself. Here, the theoretical exercise is to identify which are the main elements that in certain societies favour or jeopardise the achievement of greater social cohesion.

Within the Euro-Mediterranean Partnership, this poses major questions at the conceptual level (i.e., how to define a common understanding to social cohesion across the two shores of the Mediterranean?) but also at the empirical level (i.e., which indicators and analytical methodologies are capable of capturing the complexity of social cohesion while ensuring relevance as to policy design?).

This research project aims to address this type of issues with a comparative perspective using a social cohesion approach.. In particular, the comparison between some countries such as Egypt, Morocco and Syria, and Italy, Greece and Spain could be particularly interesting, within the context of a general comparison between EU countries and their Mediterranean partners. Although the nature of processes which lead to social exclusion in the given countries is very different, all of them face similar challenges as regards the design of social policies: increasing social cohesion and competitiveness, in the face of tight budget constraints and strong demands on the quality of public services.

The main value of the project lies in the fact that the concept of social cohesion is not yet widely diffuse among the MPCs, and therefore involves effort to analyse existing Moroccan, Egyptian and Syrian social policies through a social cohesion approach, which differs to the prevailing one in these countries (i.e., Human Development). Furthermore, the project uses existing data sources of comparable social indicators. These indicators are used to assess in what manner the European social cohesion indicators and innovative analytical techniques can be used to measure social cohesion in the EU and MPCs, given available data.

From this project, we confirm that a preconceived 'ideal' reference point of what constitutes a successful example of social cohesion case (in terms of approaches, policies, instruments, and results) is difficult to find and inadequate, even within the context of a comparison among 'homogenous' European countries. In other terms, there is no predefined benchmark on social cohesion policy, because a sort of reference point can be derived from the result of a comparative analysis on such vague dimensions and because we have to consider different dimensions and perspectives – such as instruments, policies and results – to address social cohesion. The predominance of sectoral, rather than holistic, approaches to address in practical terms various political objectives, such as social cohesion, in Europe and in the MPCs implies that the reference points have to be extended by considering the inputs, efficiency, effectiveness in terms of potential and final outcomes in the various sectors of interest and, in case, in their interaction. This assumption means that it is always possible to expand or reduce various inputs and outputs (and outcomes) with different common factors.

Overall, there is no argument that would make it appropriate to seriously oppose some political and institutional convergence towards social cohesion, intended as a meta-institution for better promoting distributional outcomes that are more desirable. According to this perspective, the interpretation of social cohesion is that it helps build better institutions and policies in terms of 'less unemployment with more distribution'. It is also true that the definition of such a single common outcome is itself a simplification of the real world and of the vagueness of social cohesion concept. Yet, one may argue that, at least in the EU context, since the Lisbon Council in the year 2000, ensuring higher levels of employment and promoting an inclusive social model have been the main features of the EU Social Policy Agenda. This proposal can then be translated into operational terms through a model that seeks to enhance the positive interrelations between social policy (to ensure greater social cohesion), employment policy (to increase employment levels) and economic policy (to promote efficiency and competitiveness). The questionable assumption is that these objectives are perfect complements, and the estimate of potential and concrete outcomes on social cohesion highly depends on the fact that the exact transformation of one 'unit' of inputs into one 'unit' of respective outputs and then outcomes is imprecise.

Effectiveness in terms of social cohesion can then take a multitude of forms, and economic convergence among the EU and MPCs does not necessarily imply convergence in social cohesion: different institutions, social and political landscapes can generate hysteresis and path dependence. Therefore, development depends on solutions to specific problems that may lay in institutions and policies innovations, as well as in unconventional economic strategies for catching up. Under these circumstances, there is no best practice to be discovered. And the drawback of such a comparison is, of course, the difficulty of acquiring proper and reliable data: the more units there are for comparisons, the greater the likelihood is that other units with a similar scope can be available for comparison.

The first chapter of the report introduces the research context and objectives. In the second chapter, main conceptual approaches and policy strategies in both shores of the Mediterranean are assessed. Specifically, main paradigms to the idea of social cohesion are reviewed while addressing conceptual debates and differences are addressed in order to gather evidence about the understanding around social cohesion between EU countries and MPCs, and within the two regions. This chapter also deals with the policies to promote greater social cohesion in two sectors, namely: education and health. Specifically, we look at the main linkages between policies in these two sectors and social cohesion. We realise that in education there is growing attention to not only addressing inequalities in access but also in attainment, while in health, more attention is paid to addressing inequalities in terms of mortality, morbidity and in access to health care. Quality in the services provided arises as a main issue in both sectors, especially linked to ensuring that all individuals have access to quality services. We go further in our analysis by exploring how these issues are being translated into policy action. We review both the EU and the MPCs realities with a comparative perspective. On the EU side, we do so with a focus on Southern European countries, which present certain particularities in terms of welfare regime and socio-economic structure. In fact, they are characterised by a relatively larger reliance on family as care provider compared to other European realities, together with a greater share of informality in their economies and relatively lower administrative capacity. These specific components create some issues to how policies in the social realm shall address new challenges. We focus on health care and education, where inequalities and quality of

services are growing in importance in terms of policy objectives to promoting greater social cohesion. The impact of ageing society and the increased dynamism and uncertainties in current societies are also well-perceived challenges in these countries. On the other hand, policy frameworks in the sectors of health and education are reviewed for MPCs, focusing on Syria, Morocco and Egypt. The main conclusion to this part would be that there are significant divergences at the conceptual level between the North and the South Mediterranean. There is nonetheless scope for greater discussion and cooperation among academia and policy-makers across the two Mediterranean shores, which could contribute to a better understanding of the policy implications of different theoretical approaches and how these are converging within the ENP framework.

In the third chapter, we move to measurement and empirical issues. In view of growing interest among MPCs in measuring progress of social cohesion policies (mostly thanks to the efforts within the MDGs framework), the EU system of social indicators is described while identifying their measurement potential in the MPCs context. In particular, there are a number of areas in which additional indicators should be included in order to adequately capture progress in these countries and ensure relevance in terms of policy-making. Next, a descriptive and trends analysis is carried out in order to assess convergence across MPCs (i.e., Syria, Morocco and Egypt) in main social dimensions in the sectors of health care and education. This is followed by an empirical analysis which attempts to assess convergence and divergence across EU countries (i.e., EU15) and MPCs (Morocco and Egypt). The analysis applies an innovative methodology, that of fuzzy sets, which is capable of capturing both qualitative and quantitative changes over time. This methodology is particularly useful in addressing the objective to combine quantitative and qualitative dimensions as well as in reflecting a more open and broad concept of convergence, by refusing any *a priori* model or benchmark (represented by a single or different social system regimes) and by accepting the idea that naturally multiple regimes or systems co-exist (with different degrees of membership) within one country. While encountering some data limitations, this is applied to social cohesion policies in education and health care over the 2000s. Social policy in general occupies different positions on national governments' agendas, and is not linked to the same objective welfare indicators across countries. A comparative analysis centred on the evolution of social indicators which are more easily comparable among countries than qualitative social policy analyses has to consider this limitation. The empirical part of this report shows that, according to the specific usage of fuzzy set approach applied to our dataset, in comparing 1999 and 2006 years, a process of convergence is occurring within the EU-15 countries in terms of movement towards the same ideal-type (I) for health and the maintenance of a given ideal-typo (IX) for education, whereas the picture is much more ambiguous for the two MPCs under investigation (with Egypt and Morocco showing a more similar pattern for health than education). However, the data must be considered carefully because there are important lags in the mechanisms which allow financial resources to translate into social policy, social policy to improve social indicators, and the statistics to capture real improvements. Failure to translate resources into social welfare improvements through social policy instruments can stem from lack of political will, institutional weaknesses and ineffective social policy instruments.

The final chapter draws main conclusions and points to areas for further research. Specifically, we conclude that extent to which the concept of social cohesion and all the different dimensions and their inputs, products and outputs demand a new view of

what is involved in explaining the different ways in which social cohesion may occur in the EU, the MPCs and abroad. What is important, for our purpose, is to criticize the idea of a unique and irreducible profile which comes with social cohesion. The concept is unquestionably fuzzy and affected by the particular social interactions which a given country experiences in a given period. Equally, we should not underestimate the importance of intentional and unintentional control which public policies exert over social cohesion and the very partial control that policies may exert at their best. Policy actions are then always limited, because they are constrained for many reasons, and sectoral policies are much more limited, indeed. Thus, we consider social cohesion as an important historical issue of contemporary societies which cannot be denied. At the same time, all the current definitions of social cohesion (as well as the concept of Human Development) across the EU and the MPCs regions have profound conceptual and operative similarities. Somehow, it appears that it is only the detail that differs.

We think that a concept of social cohesion may well be applied to many MPCs, at least for two reasons. On one side, there is no need to be anchored to westernized meanings of concepts as a consequence of Western social and cultural influence all over the world, and whenever possible more challenging and open approaches to general concepts (such as social cohesion) may be preferable, to reflect the importance of other cultures, lifestyles and mentalities. On the other side, a crucial political determinant of Western welfare state regimes, that is the need to create consensus and political cohesion in the process of nation building, is exactly what is behind the social policies defined and implemented by governments in MPCs. In theory, MPC economies can exploit the opportunity to adopt certain institutions and social policies on the basis of the results experienced in the EU countries, without waiting for a later stage of development.

Implicit in many comparative analyses is the assumption that, despite the complexity of political regimes, social structures, culture, geographic position and size, some basic macroeconomic, political and institutional facts can be used to summarize some similar or different characteristics of oil economies throughout the world. In particular, without being compelling as a theory, this report tried to identify just a few basic elements of homogeneity and heterogeneity of situations among the EU and MPCs, in terms of structures as well as of developmental trajectories, at least in the limited perspective of the last decade, rather than in a long-term perspective. The emphasis placed on institutions that affect market functioning and, as a consequence, on the microeconomics of growth, reflects the significant change in orientation, from macroeconomic and structural issues, occurred in current thinking on development economics since the mid 1990s. A problem is that, as noted by Stiglitz, institutions mean different things (rules, regulations, customs and organizations) to different people, and while it is easy to identify the outcomes of good institutions, it remains far from clear how to go about creating good institutions.

Last but not least, a particularly striking example of such relevant changes that cannot be easily and fairly accurately charted and measured, as well as its causes completely well understood is climate change. Climate change has human health impacts, by increasing the rate of heat- and cold-related illness and death, increasing the frequency and/or the intensity of extreme weather events (such as storms). It also affects human health indirectly, through its impact on food supply and patterns of disease, as well as through the worsening nexus among energy crisis, water shortage and climate changes (particularly acute in the Mediterranean area). Moreover, all these negative effects are

likely to fall more heavily on the most vulnerable groups of population, who live in more difficult conditions and have less of a buffer against adversity. It is certain that climate change is occurring, and it is clear that human activity is one of the causes as well as that somehow it will affect social life and cohesion. Thus, the problems posed by global environmental changes are particularly challenging for policies under “uncertainty” of information and effectiveness. This report did not take account of environmental impact on social equity and cohesion. Traditional assumptions of public policies about economic growth and social development do not include such a challenging issue.

Linked to this increased interest in climate change, there is a common concern which could be addressed with common, coordinated responses. In this regard we would not only be referring to social cohesion but also to territorial cohesion. By conceiving the Mediterranean as a bio-region we refer to a common space where policy challenges are already emerging in a wide myriad of areas. From our viewpoint, the agenda should go beyond integration and devote particular attention to these issues. In the coming years, the challenges posed by climate change to the *Mare Nostrum* should move to the top of the agenda of the ENP towards the Mediterranean.

# 1. Introduction

## 1.1. Context and objectives

Convergence is a broad term. In economics, it may be observed as a trend toward an absolute level of income, whereby low-income countries gain faster than high-income countries ( $\beta$  convergence) or an absolute convergence in dispersion ( $\sigma$  convergence). In the latter case, countries converge to a steady-state level of variance, the direction from which they do so can be evaluated by long-run trends (measured variances in the logarithms of income).

It is at the end of the 1980s that economists started devoting back their attention towards analysing the issue of convergence. In fact, the interest has been further stimulated by the emergence of the endogenous growth theory, which explains the long-run growth rate of an economy on the basis of endogenous factors as against exogenous factors of the neoclassical growth theory (the rate of the population growth and the rate of technological progress, independently on the saving rate, according to the famous Solow-Swan model). In fact, the endogenous growth models developed by Romer (1986 and 1990) and Lucas (1988), among other economists, emphasize technical progress resulting from the rate of investment, the size of the capital stock and the stock of human capital. This theory suggests that convergence on growth rates per capita of low-, middle- and high-income economies can no longer be expected to occur. The increasing returns to both physical and human capital imply that the rate of return to investment will not fall in high-income economies relative to low- and middle-income ones. Quite the contrary, the rate of return to capital in high-income economies is likely to be higher and capital does not need flow from the rich to the poor areas as usually assumed and actually the reverse may happen.

Clearly, the lack of a trend toward convergence could be differently explained within the context of alternative theories based on a conflictual view of social, economic and political relations within the so called world economy: not only actions taken in the high-income world can have a profound impact, for better or worse, on the developing, but underdevelopment can also be understood as the result of economic agents' failures to coordinate with each other so that weak or periphery economies can be stuck in a "bad" equilibrium induced by the power of strong or centre economies. There are also new versions of the neocolonial dependence school that emphasize the unequal power relationships between the high-income and low- and middle-income economies and blames underdevelopment on conscious or unconscious rich country exploitation, which is perpetuated by a small elite ruling class within the poor countries. In this case, lack of convergence is a "natural" consequence, with rich countries being intentionally keeping the poor countries in a dependent state. Singer's superior-inferior sectors model is cited as representative of another dualistic development thesis, as well as the idea simply demonstrated by the fact that many key international economic decisions are made in the developed countries.

The fact that not only the critical conflictual theories but also the mainstream economy, through the evolution of the neoclassical theory represented by the new endogenous growth theory, hypothesized the lack of "natural" economic convergence has induced additional research. A recent contribution is the introduction of the concept of

conditional convergence (Barro and Sala-i-Martin, 1997). Whereas early growth research made an implicit assumption that convergence was absolute in nature, the new idea is that countries tend to converge to similar steady states conditioned on some “conditioning” variables (political institutions, natural resources, etc.).

When we move to a broader concept of convergence which encompasses both notions of economic growth and a wider set of socio-economic issues such as health, education, poverty and distribution (without considering the emerging issue of environmental sustainability linked to the climate change agenda) things become more complex. Many contemporary sociologists have come under the influence of Parson’s view of status and that of anthropology to see the society in terms of the so-called structural cohesion theory, at the complete expense of Weber’s and Marx’s view of class and conflict. In practice, according to this view, power can be seen as an attribute of the total social system and the legitimacy can be accorded to the positions of the holders of power, so that different social policies interact with norms, rules, institutions, cultures, authority to produce common views and a converging idea of social cohesion. In this sense in which we speak of it, conflict like consensus/cohesion exists in all situations. All people and classes experience both kinds of activity throughout their existence. As a consequence in the context of sociological critical theories – which are more common than in economics – convergence may be considered as distorted by social cohesion thinking if defined in terms of complete reciprocity of acts, due to the influence of shared, dominant values. Better, an interesting area of research is now emerging as being focused on the specific content of analysing the broader concept of convergence in terms of social outcomes as well as of social policies. This area is particularly promising because is a direct way to address the question of correct understanding of the transmission mechanisms from social policies (in terms of strategies) to instruments (concrete measures and interventions) and to outcomes (social cohesion, full citizenship, employment, less poverty and inequality).

At the EU level, the concept of social exclusion and the policy debate on social cohesion have spread widely, to the point of even assimilating that of poverty. Many employed and healthy persons perceive this increased vulnerability, which cannot be explained by their individual features and performance, but rather by structural socio-economic transformations (massive layoffs, loss of social status, illness) that may result in social exclusion. This social, economic, cultural and political vulnerability is to be understood, and addressed, as a multi-dimensional issue that affects the vast majority of the population. Likewise, the gap between the most affluent and the poor is growing and regards not only the distance between the richest and the poorest levels of the population, but also the gap between mainstream society and those left behind.

However, unlike social exclusion, the concept of social cohesion, a relatively new concept in the poverty debate, sheds a light on the character of the social processes and dynamics that produce the condition of exclusion, analysing the loss of opportunities caused by the impossibility of excluded groups to have access to material and immaterial assets. Somehow, this concept reflects the fact that societies have moved towards a reality of increased vulnerability and greater risk of poverty that are no longer confined to traditional marginal groups.

As a consequence, social cohesion policies address the multi-dimensional aspects of poverty which include immaterial facets connected to a situation of indigence. Apart from low incomes, unemployment and poor housing, poverty entails the spread of

high crime rates, the presence of poor individual skills and bad health conditions, as well as the increase of family breakdowns.

On the other hand, the new challenges faced by the European social policy concern themes such as the so-called *new poverties*, which are expressed by the increasing presence of migrants communities, that face difficulties in integrating the Member Countries societies; the growing number of old age pensioners, who experience the decrease in their purchasing power; the significant increase of unemployment and the spread of short term labour contracts among young people that expose part of the European youth to the risk of poverty. Furthermore, another difficulty to be addressed by EU Member States is the overall adjustment of their welfare systems.

The main EU instruments to promote social cohesion in its member countries have been established in the context of the Open Method of Coordination (OMC) and involve: the drawing up by the latter of specific documents (named National Action Plans - NAPs) which describe detailed strategies and ad hoc policies to tackle poverty and social exclusion in their own territories, the design of common indicators to measure social cohesion in the EU countries, the exchange of good practices and finally the presentation by the Commission every three years of the Joint Report on Social Inclusion which aims at evaluating the progress towards social cohesion made by the Member States.

The concept of social cohesion is also explicit in the EU enlargement agenda, and from there it filtered into the Neighbourhood Policy objectives. European Neighbourhood Policy (ENP), together with the Barcelona Process, constitute the institutional framework guiding the EU's relations with the Southern shore of the Mediterranean. The Action Plans which frame the EU bilateral relations with its Mediterranean Partner Countries (MPCs) state, as one of the ENP objectives "to promote integration and economic and social cohesion and lessen development gaps between regions" (European Commission, 2004).

Therefore, as regards ENP and, more specifically, the Barcelona process, the concept of social cohesion appears not only as an objective to be pursued by MPCs but as an instrument to promote the convergence between the two regions.

The Euro-Mediterranean Partnership initiated in 1995, but the process of economic integration between the two shores of the Mediterranean has not been significant. The slow pace of economic and political reforms in the Southern shore and the low levels of South-South integration have constituted a powerful obstacle to North-South integration. This gap has increased with the European Enlargement process, the deepening relations with eastern European economies and with the increasing projection of the EU countries towards Asian markets. The convergence process among northern and southern Mediterranean countries has not benefited from the slow pace of economic integration (Zupi et al., 2008).

However, empirical investigation and evidence about these topics is still limited among MPCs, although there is growing interest in the social cohesion approach on the Southern Shore of the Mediterranean. Analysing the literature, a shortage of comparative research between European and Mediterranean social policy can be detected, particularly as regards the effectiveness of the design and the implementation of the policies promoting social cohesion in the two regions. Especially regarding the

convergence process – in terms of approaches, policies, instruments, and results – the suitability of measurement tools to evaluate progress and convergence (i.e., social indicators) is to be assessed and perhaps improved.

At the EU level, the European System of Social Indicators provides a set of indicators classified into 14 categories. They combine a focus on distributive aspects (i.e., inequality and social exclusion) together with social ties (i.e., social participation and interactions). Hence, living standards can be estimated through the wide availability of information at different levels (local, regional, national and supra-national) and of both quantitative indicators (administrative data, regular statistical surveys – such as those by Eurostat, and other ad hoc statistical analysis) and qualitative indicators.

In MPCs, there is growing interest on measurement and on indicators. Most of the literature and empirical evidence usually refers to the Human Development Index (HDI) and others drawn up by the UNDP when it comes to measure social cohesion. The three basic dimensions of human development represented in the HDI are: a long and healthy life, knowledge and a decent standard of living. The HDI is generally recognised to be an important tool for measuring development which not only captures economic terms, but also other dimensions significant for measuring progress towards the Millennium Goals, and comparisons can be performed across a wide range of countries. However, the HDI is also criticised because it does not seem capable of adequately portraying certain dimensions relevant in measuring the multidimensionality and dynamic character of poverty.

Therefore, in the context of promoting social cohesion enhancing policies and measuring convergence, there is a clear need for appropriate social indicators. This implies critically assessing the capability of existing other social indicators of capturing trends and features of societies, as well as their utility in measuring progress and outcomes of policies.

In this framework the comparison between some countries such as Egypt, Morocco and Syria, and Italy, Greece and Spain could be particularly interesting, within the context of a general comparison between EU countries and their Mediterranean partners. Although the nature of processes which lead to social exclusion in the given countries is very different, all of them face similar challenges as regards the design of social policies: increasing social cohesion and competitiveness, in the face of tight budget constraints and strong demands on the quality of public services.

The objective of the project is to compare social policies in some EU and MP countries using a social cohesion approach. The value of the project lies in the fact that the concept of social cohesion is not yet widely diffuse among the MPCs, and therefore involves an analysis of Moroccan, Egyptian and Syrian social policies through the social cohesion approach. Furthermore, the project will seek to use the social cohesion indicators to assess in what manner the European social cohesion indicators and innovative analytical techniques can be used to measure social cohesion in the EU and MPCs, given available data.

There are two main difficulties in assessing the convergence between countries on the Northern and Southern shores of the Mediterranean in terms of policies fostering social cohesion:

- The concept of social cohesion is still very much a European product. It guides the European Social Agenda and the Action Plans which constitute the framework of bilateral relations between the EU and its Mediterranean partners, but it is not as yet a dominant principle in the MPCs policy agendas. From a social cohesion perspective, the analysis of health and education policies in the countries of the Southern shore should focus on their ability to target vulnerable groups, and therefore poverty and social exclusion.
- Different social policy instruments will have different impacts on poverty and social cohesion, and the same policies can yield different results when carried out in different countries. The research must therefore focus on instruments, but also on outcomes, and where possible use microeconomic indicators (when available) rather than resource-based methods of analysis to compare instruments and countries.

What is more important, a preconceived 'ideal' reference point of what constitutes a successful example of social cohesion case (in terms of approaches, policies, instruments, and results) is difficult to find and inadequate, even within the context of a comparison among 'homogenous' European countries. In other terms, there is no predefined benchmark on social cohesion policy, because a sort of reference point can be derived from the result of a comparative analysis on such vague dimensions and because we have to consider different dimensions and perspectives – such as instruments, policies and results – to address social cohesion. The predominance of sectoral, rather than holistic, approaches to address in practical terms various political objectives, such as social cohesion, in Europe and in the MPCs implies that the reference points have to be extended by considering the inputs, efficiency, effectiveness in terms of potential and final outcomes in the various sectors of interest and, in case, in their interaction. This assumption means that it is always possible to expand or reduce various inputs and outputs (and outcomes) with different common factors.

For these reasons, imported blueprints are useless. However, even if one is great believer in political and institutional diversity, reflecting the importance of national differences, there is no argument that would make it appropriate to seriously oppose some political and institutional convergence towards social cohesion, intended as a meta-institution for better promoting distributional outcomes that are more desirable. According to this perspective, the interpretation of social cohesion is that it helps build better institutions and policies in terms of 'less unemployment with more distribution'.

The definition of a single common outcome is itself a simplification of the real world and of the vagueness of social cohesion concept. Since the Lisbon Council in the year 2000, ensuring higher levels of employment and promoting an inclusive social model have been the main features of the EU Social Policy Agenda. This proposal is translated into operational terms through a model that seeks to enhance the positive interrelations between social policy (to ensure greater social cohesion), employment policy (to increase employment levels) and economic policy (to promote efficiency and competitiveness). The questionable assumption is that these objectives are perfect complements, and the estimate of potential and concrete outcomes on social cohesion highly depends on the fact that the exact transformation of one 'unit' of inputs into one 'unit' of respective outputs and then outcomes is imprecise.

Effectiveness in terms of social cohesion can take a multitude of forms, and economic convergence among the EU and MPCs does not necessarily imply convergence in

social cohesion: different institutions, social and political landscapes can generate hysteresis and path dependence. Therefore, development depends on solutions to specific problems that may lay in institutions and policies innovations, as well as in unconventional economic strategies for catching up.

Under these circumstances, there is no best practice to be discovered. And the drawback of such a comparison is, of course, the difficulty of acquiring proper and reliable data: the more units there are for comparisons, the greater the likelihood is that other units with a similar scope can be available for comparison.

## **1.2. Structure of the report**

The present report is structured as follows.

In the next chapter, main conceptual approaches and policy strategies are assessed. Main paradigms to the idea of social cohesion are reviewed while addressing conceptual debates and differences in understanding between EU countries and MPCs. In particular, there is a section reviewing main linkages between education and health and social cohesion. This is useful to better assess the policies in these sectors that specifically point to promote greater social cohesion. We do so with a focus on Southern European countries. Policy frameworks in MPCs are also reviewed. The chapter concludes about main similarities and divergences at the conceptual level. There is scope for greater discussion and cooperation among academia and policy-makers across the two Mediterranean shores, which could contribute to a better understanding of the policy implications of different theoretical approaches and how these are converging within the ENP framework.

In the third chapter, we move to measurement and empirical issues. In view of growing interest among MPCs in measuring progress of social cohesion policies (mostly thanks to the efforts within the MDGs framework), the EU system of social indicators is described while identifying their measurement potential in the MPCs context. In particular, there are a number of areas in which additional indicators should be included in order to adequately capture progress in these countries and ensure relevance in terms of policy-making. Next, a descriptive and trends analysis is carried out in order to assess convergence across MPCs (i.e., Syria, Morocco and Egypt) in main social dimensions in the sectors of health care and education. This is followed by an empirical analysis which attempts to assess convergence and divergence across EU countries (i.e., EU15) and MPCs (Morocco and Egypt). The analysis applies an innovative methodology, that of fuzzy sets, which is capable of capturing both qualitative and quantitative changes over time. While encountering some data limitations, this is applied to social cohesion policies in education and health care over the 2000s. This chapter concludes with some comments about measurement issues and the need for reinforcing data availability in terms of social indicators within the Euro-Mediterranean Partnership in order to adequately monitor policy cooperation for greater social cohesion. The final chapter proceeds with a summary of main results. It draws main policy implications of the research while identifying areas for further research.

This report draws on the background papers prepared the team of research for the project. These papers were:

- Paper by Marina Izzo: “Health care policies and social cohesion in Southern Europe” (2009a)
- Paper by Elisenda Estruch-Puertas: “Education policies and social cohesion in Southern Europe” (2009a)
- Paper by Ahmed Driouchi: “Is there Convergence between Human Development and Social Cohesion? The European Union versus South Mediterranean Countries with emphasis on Egypt, Morocco and Syria” (2009)
- Paper by Elisenda Estruch-Puertas: “Education and health policies and social cohesion in the Mediterranean: a fuzzy-set analysis” (2009b)

The coordinating team would also like to thank the authors who contributed to the book *Le charme discret de la Cohésion Sociale in the Euro-Latin American Dialogue*, which is going to be published by the University Complutense Press, where different chapters were presented and influenced the evolution of our perspectives on the social cohesion policies. In particular, we refer to the contributions to the two policy sectors in which we focus in this research, namely Manfred Huber (health care sector) and Marie Duru-Bellat (education sector).

The views expressed herein are those of the authors, and should not be attributed to their respective organizations.

## 2. Social cohesion in the Mediterranean: comparing concepts and policies

### 2.1. Alternative visions and approaches to social cohesion<sup>1</sup>

There is no a priori consensus on what should be understood by social cohesion neither is there agreement on how social cohesion can be thought about. We do not and cannot know: social aspects may be treated not as the study of variation from a norm but as manifestations of society itself. By analysing the concept and policy implications of social cohesion, inevitably we face the complex nexus between social cohesion and poverty. As no single concept stands outside history and culture, a critical review of the parallel evolution of the European discourse, regimes and policies on poverty and social cohesion as well as of development cooperation discourse and policies may be crucial. This is a way to explore current legacy of and promising areas of intervention for the future Euro-Mediterranean policy of dialogue and partnership.

With the concept of social cohesion we face a typical problem of a concept used to describe reality, rather than the reality itself: different interpretations exist within the same institutional context (a given country), and even more so, we find competing interpretations in different countries and regions, such as the EU and MPCs. We should add to this the inevitable differences among sociologists, economists, political scientists and anthropologists' perspectives in managing this concept, as well as within each discipline according to different schools of thought: the purpose of addressing social cohesion in its complexity and addressing different dimensions and corresponding policies (education, health, labour market, tax regimes,...) should recommend innovative holistic or inter-disciplinary perspectives in research and policy, which however are not developed; and at best different disciplines, institutions and policies work in parallel, with their own traditional methods and languages, partial and uncoordinated.

An ambiguous concept amplifies and stresses the variety of meanings if we try to adopt the same term across regions in a universal sense. This is just to say that we should not be surprised to see how preliminary and not structured is a dialogue between European and MPCs experts on such a contentious issue. A theoretical and political dialogue between Europe and MPCs on the basis of such a shadowy concept is not easy, as it necessarily reflects the historical, cultural paradigms aimed to interpret the world and make political decisions. The discourse on social cohesion embraces notions of the means and ends of society, the historical evolution of institutions and policies, interpretations of poverty in terms of rights, equity, justice and social utility, which are the main criteria, in tension among themselves, to assess politics.

The ambition of a European discourse on social cohesion puts another strain on traditionally contrasting approaches in social science. A particular idea of social cohesion is appropriated by methodological nationalism, which emphasises national or local identities, cultural homogeneity, closed communities and what occurs within countries (Denmark is a good example as well as sub-national realities, such as the Californian bio-regionalism movement, or those without any historical, geographical

---

<sup>1</sup> This section draws on Zupi (2009a).

or cultural reality, such as the invention of Padany in the territories of northern Italy<sup>2</sup>). At the same time, another equivalent idea is appropriated by trans-nationalism, which focuses on border-spanning connections, interactions, on cultural hybridity and multi-cultural identities. Both of them have their narrative of social cohesion in the context of current globalization, a world-financial economy that combines global competitiveness and social disintegration (derived from the corporate delocalization process and the associated risk of deterritorialization, that is the weakening of ties between people and place, society and economy)<sup>3</sup>. Both of them are reactions to the crisis of modernity, with a permanent tension between global and local worlds, excitement for dynamics and movement as well as search for stability, anxiety for weakened and fragile identities (Geertz, 1986).

The Nineteenth century European sociologists who introduced the concept of social cohesion placed their emphasis on different aspects and institutions. Auguste Comte stressed the importance of the state, Herbert Spencer that of market relations, Alexis de Tocqueville focused on the important role played by active civil associations, and Emile Durkheim advocated the interaction of intermediary civic associations that stood between the state and the market.

All over the Twentieth century these varied approaches to social cohesion through the state, the market, the Third Sector, the family and the extended households reinforced themselves, while three alternatives on the idea of society and change prevailed politically: individualistic liberals proposed anti-state deregulation and market promotion of atomistic individual freedom to choose; social-democrats supported strong states and public institutions to preserve solidarity and shared values (with social cohesion being mainly a means for both of these visions); Marxist schools of thought and real socialism in the Eastern European countries up to the end of the Eighties idealized the stage of dictatorship of the proletariat as the needed step to take over from capitalist exploitation and prepare a classless and stateless society (with social cohesion being the end). Other heterodox or more eclectic views were at work, such as communitarism, marginalised by the prevailing ideologies. In practice, the debate was paralyzed by the opposition between the state and the market (and the corresponding failures of both), as it was imposed *de facto* by the ideologies prevailing during the bi-polar cold war period.

The Western ideas of society and institutions behind the concept and operational implementation of social cohesion reflected different visions of social change: conservative or progressive. Do individuals or collective solidarity play the pivotal role? Does social order require continuity and stability, or is improvement of social conditions to be attained through equality, redistribution and political rights? Are social conflicts avoidable or are they necessary and useful to guarantee a transformative evolution and social cohesion? What are the necessary institutions for sharing risks and welfare and for creating a sense of common identity? By answering these questions all the theories strengthened the idea that social cohesion is a process rather than an end, and it can be interpreted philosophically in terms of an evolving

---

<sup>2</sup> The search for local identities can be interpreted as a new quest for origins, a collective feeling of nostalgia (the combination of two ancient greek words: *nóstos*: return and *álgos*: grief) that re-proposes *le mythe de l'éternel retour* in a period of uncertainty and threats to historical continuity, in which the mythical origins appear an ideal of harmony, stability, identity and cohesion. (See: Eliade, 1949).

<sup>3</sup> The wrong mix to promote liberty, according to Ralf Dahrendorf (1995).

dialectic triad of thesis, antithesis and synthesis, based on a sequence of oppositions that varied according to preferences, between individuals and society, market and state, order and conflict, permanence and change.

As a consequence, cohesion can be defined and addressed in many ways:

- passive (people are targets of policies, with no ability to change them),
- subaltern (people, whose interests are subaltern to the hegemonic powers, are manipulated in a subtle form, and reduced functionally to the interests of the hegemonic powers),
- active (people take control over decisions, they are autonomous and purposive actors, and direct involvement is seen as a right and not just as a function), or
- transformative (all the people are empowered and interests are negotiated through conflicts, with cohesion being both a means and an end in a continuous dynamics).

The variety of institutions, and the relations between them, matters in defining the nature of social cohesion. The specific articulation of social cohesion production, by combining family and household, market, state, communities and Third Sector, results in passive or active forms of participation, depending on the perceived need for transformation, in which social cohesion is used as a cosmetic label for traditional top-down assistance, co-opting practice or an empowering process. The impact of change on all the institutions – families, schools, organizations, communities, corporations, markets, parties, trade unions, governments, bureaucracy – becomes a priority focus of concern. In other terms, social cohesion can be an approach to maintain the political *status quo* or a possible threat to it. To approach social cohesion as a democratic principle, a right, a method and tool raises a variety of theoretical and operational challenges as well as normative and ethical considerations.

The concept of social cohesion is open and can be interpreted differently according to different preferences – desires, aspirations, interactions – and visions. Education, as well as health, is paradigmatic in this respect. According to the mainstream narrow economic version of social capital, education has an important “value” as promoter of employability and higher labour productivity (with economic growth being the engine of development), but also, according to a broader approach, it contributes to transform the individuals’ prospects and sense of well-being, to build up and maintain social harmony through citizenship education, culture of individual trust, tolerance, close ties and relations of reciprocity, which are embedded in what Robert Putnam defines as bonding social capital (that is social networks between homogeneous groups of people) rather than bridging one (between heterogeneous groups) (Putnam, 2000). Its individualistic notion, focused on small groups and micro level bias, corresponds to the preference of neoclassic economy for methodological individualism focused on agents considered in isolation, but appears inadequate to address the complexities of social cohesion at large. Quite the opposite: according to radical critics of capitalist society and its institutions such as Pierre Bourdieu (see Bourdieu and Passeron, 1970), Ivan Illich (1971, 1973) and Pier Paolo Pasolini (1976) who focused on the cultural anthropology of social reproduction, dedicated educational institutions are not a necessity and they are practically used to produce or reproduce inequality and uphold the social order and the interests of the members of the middle and upper strata under democratic forms, renovating the direct and indirect discrimination and segmentation across classes through the homologation or normalizing process, imposition of their

culture, values and interests<sup>4</sup>. The post-modern criticism against universalism and its idea of social cohesion through institutionalised education is basically a similar criticism against a false sense of unity and the need to respect differences and diversity. From another heterodox perspective, following Emmanuel Levinas (1974), one could say that the modernity insistent recall to the ideal of social cohesion risks culminating in excluding and denying violently 'the Other', when social cohesion is imprisoned into the primacy of identity and narcissism: the starting point should rather be an ethical relationship of respect and responsibility vis-à-vis the other person (the poor as well as the foreigner) rather than a relationship of mutuality and dialogue, a real recognition of 'the Other', that is a recognition that carries responsibility vis-à-vis what is irreducibly different, the 'face of the other', so much that one can say, quoting Arthur Rimbaud's famous exclamation, «Je est un autre».

The open concept of social cohesion can be interpreted as both a means and an end, but it also implies the risk of confusing process and substance. It may encourage the attitude to accept public (or private) services and institutions in place of common values; it may impose hegemonic cultural values through the institutionalization of society or, alternatively, it may be considered the best approach to questioning and changing existing closed hierarchies, stigmas, stratification, discrimination through the 'glue' that brings people together in society.

Social cohesion is proposed by the European discourse as an approach to promote sustainable welfare and human development: development and welfare become sustainable in the long run through social cohesion, and the promotion of social cohesion is often considered by social and economic policies as a functional objective. In practical terms, the wide spectrum of sectoral social policies in which the promotion of social cohesion is embedded reflects the multi-dimensional nature of development and the need to fight the web of material, subjective and relational deprivations which affect the poor. Thus, the interactions between social cohesion and poverty are inescapable.

## 2.2. The concept of social cohesion within the EU framework<sup>5</sup>

The EU has been progressively involved in developing the concept and instruments needed for social cohesion and subsequent social inclusion policies (Roberts, 2000). The financial support accompanying these policies has been instrumental in ensuring important attainments for social cohesion policies in different areas and stages of the EU integration process.

Even if social cohesion has been a main concern as from the outset of the EU integration project, it became a main policy priority in 2000, with the launch of the Lisbon Strategy. According to this agenda, the EU should "become the most competitive and dynamic knowledge-based economy in the world, capable of

---

<sup>4</sup> It is interesting to note here that, despite the dominant role that institutions and institutional analysis have played in economics and economic history (and, more obviously, in political science) since the time of Adam Smith, institutions play at best a minor direct role in the long-term historical structures over events (the so-called *longue durée*) according to some new challenging economic historians (see: Clark, 2007).

<sup>5</sup> This section draws on Estruch-Puertas (2008), Driouchi (2009) and Izzo, Rhi Sausi and Zupi (2008).

sustainable economic growth with more and better jobs and greater social cohesion”<sup>6</sup>. This idea was further developed by the European Council which took place in Nice in the same year.

At the EU policy level, the social cohesion paradigm has been promoted by the need for an alternative to the increasingly questionable concept of material prosperity and other traditional conceptualisations. In the EU’s Social Policy Agenda (2000), social cohesion is defined as an objective: “To prevent and eradicate poverty and exclusion and promote the integration and participation of all in economic and social life”. In 2005, the importance of greater social cohesion was once again stressed in the renewed EU Social Agenda 2005-2010 (European Commission, 2005a, 2005b). Three main aspects stand out in relation to this EU concept to social cohesion, namely: (i) promotion of social inclusion, (ii) adequacy of the social security and pension schemes and (iii) improvement of health and long term care. As such, these dimensions provide an overarching idea of what is meant by social cohesion in the framework of the EU documents.

Although several institutional documents attempted to elucidate the concept of social cohesion as developed by the European Commission, the latter still remains partly blurred. It is defined in a broad sense, as it tries to bring together divergent approaches to social policy of Member States. It does so without referring directly to the specific arrangements of their national welfare states, which have highly distinguishing characteristics that make very difficult a direct comparison among them.

Over the last years a number of scholars have examined the notion of social cohesion emerging from the analysis of the EU policy documents. Several difficulties have though been encountered in such process due to its extensiveness. Still, researchers recognise that changing features in contemporary societies require such multidimensional and dynamic approach that incorporate much more complex societal developments (Noll, 2002; Berger-Schmitt and Noll, 2000). Traditional conceptualisations and indicators of poverty or social well-being are not capable of capturing on-going changes in value orientations. In this sense, Saraceno (2001) argues that the “conceptual shift implies a change in perspective from a static to a dynamic approach, from a one dimensional to a multidimensional and also from a distributional to a relational focus”. It should also be relevant for policy purposes, in order to enable its translation into operational terms is necessary so that the idea of social cohesion effectively contributes to policy design and monitoring.

From a review of the theoretical approaches to social cohesion and EU documents, Berger-Schmitt (2000, 2002) draws the conclusion that the concept of social cohesion is considered by the EU as a condition of political stability and security and a source of wealth economic growth. It integrates two societal goals, which can be discerned into two analytical dimensions. The first dimension includes the reduction of disparities, inequalities and social exclusion. While the second dimension concerns those aspects related to the concept of social capital, such as social relations, interactions and interpersonal ties. Such distinction is also bringing together into a more comprehensive conceptualisation two different scientific approaches. The first dimension can be related to the traditional Anglo-American standpoint, which concentrates on socio-

---

<sup>6</sup> European Council, 2000. Presidency Conclusion. 23rd 24th march, Lisbon. [Available from: [http://www.europarl.europa.eu/summits/lis1\\_en.htm](http://www.europarl.europa.eu/summits/lis1_en.htm)]

economic distributional aspects; whereas the second may be more in line with the French school which highlights the relational dimension and the role of socio-cultural elements.

Furthermore, Berger-Schmitt identifies three fundamental elements or sub-dimensions for each of these two main dimensions. These elements correspond to the lines of action undertaken by the EU in the social policy field. For example, inequality should be addressed through three main dimensions: reduction in regional disparities related to living conditions, promotion of equal opportunities for all the citizens, and the fight against social exclusion. The first sub-dimension indicates the EU commitment to the reduction of economic gaps between the Member States and between their underdeveloped regions. This aspect has been a fundamental policy goal and has been pursued mainly by means of the Structural Funds. The promotion of equal opportunities for all refers to issues of equity and to eliminate discrimination on the basis of gender, age social stratum, disability or ethnicity. The EU has been promoting many initiatives in this field through the European Social Fund (ESF). The fight against social exclusion does not only refer to low income but also encompasses other elements, such as problems related to the access to quality health, education and housing.

The other component of the EU concept of social cohesion, social capital, includes all the dimensions of the social tissue that support people in their collective action (Sabatini, 2008). In this respect, social capital encompasses the social networks, the social norms and the institutions.

Social networks involve the social relations and activities carried out inside a certain community. Social norms consider the quality of these relations in terms of shared values, sense of belonging, feelings of affiliation and trust among the members of a certain community - precisely social norms - and finally the last component of this second dimension of social cohesion encompasses the quality of social and political institutions.

The role played by social capital in the framework of the economic growth is largely acknowledged not only by EU policy makers but also by other international organizations such as the World Bank and the International Monetary Fund. It is widely recognised that social capital allows the improvement of the conditions in which economic transactions take place.

The EU has demonstrated to attach great importance to this dimension by the promotion of several activities. A recent example is the promotion of the project RESTRIM, founded by the European Commission. This initiative aims at examining the role of network in promoting economic competitiveness in isolated rural areas<sup>7</sup>.

Furthermore, we note here that the EU perspective takes into account of the multidimensional perspective and the dynamic nature of social cohesion: achieving greater cohesive societies encompasses not only poverty, but also those aspects or processes that may push individuals to the edge of society and prevent them from

---

<sup>7</sup> For more information about the RESTRIM project (Restructuring in Marginal Rural Areas: the role of social capital in rural development) see: <http://aberdeen.ac.uk/irr/arkleton/RESTRIM/>

participating fully due to their economic situation, or lack of basic capabilities and/or skills, or even as a result of discrimination. In fact, exclusion is often reinforced by discrimination on grounds of gender, race, social status, and ethnic origin. Likewise, attention to regional and local disparities has increased over time, in line with growing awareness of the impact of geographical location on the levels of social inclusion. Dynamic aspects are also considered within the EU level, since social exclusion is understood as a process that distances individuals from relevant elements of social and economic life, including job and income but also education and training opportunities, as well as social and community networks and activities. The EU idea of social cohesion integrates the cumulative aspects of deprivation together with its interactions with other key dimensions. Aspects linked to the social capital approach are also considered, such as the role of (local/intermediary/macro) institutions in reducing poverty and social exclusion.

To sum up, the concept of social cohesion as elaborated by the EU is quite a complex notion which encompasses several aspects and allows to compare the social policy initiatives undertaken by the Member State regardless of their different welfare regimes. While it may be interesting and clarifying to analyse these dimensions separately, promoting social cohesion requires a more comprehensive picture of the society. For this reason, measurement and monitoring of social cohesion also demands for indicators that allow for joint assessments so that interactions and dynamic aspects of their components can be observed over time. Actually, in order to measure the advancement in the pursuit of common policy objectives, a set of indicators was set up at the EU level (European Commission, 2008; see also chapter 3). The set covers the following aspects: the share of individuals at risk of poverty; the intensity of risk of poverty among the population; the extent of income inequalities, the education outcome and the human capital formation; the access to the labour market, the financial sustainability of social protection systems, the pension adequacy, the inequalities in access to health care, the improvement in the standards of living resulting from economic growth, the rate of employment of older workers and the percentage of the so-called working poor that is the individuals who result to be formally employed but are anyhow at risk of poverty.

## **2.3. Social Cohesion in the Arab World<sup>8</sup>**

### **2.3.1. Past and recent trends in social cohesion**

In the Arab world, and more specifically in the South and East Mediterranean region<sup>9</sup>, the idea of social cohesion is used in the context of welfare programs. Hence, it would be defined in terms of 'social pacts' which are based on an approach that favours an interventionist state in all social and economic sectors. Actually, the public sector in the Arab states have traditionally represented the main source of redistribution<sup>10</sup>.

---

<sup>8</sup> This section draws on Driouchi (2009).

<sup>9</sup> This term refers to ten countries that are not members of the Council of Europe: Morocco, Algeria, Tunisia, Libya, Egypt, Israel, Palestine, Lebanon, Syria and Jordan. Coverage is, however, unequal, and leaves aside under-documented countries, such as Libya and the complex, very insecure situation of the Palestinians in the West Bank and the Gaza strip.

<sup>10</sup> In the late 1980s, the state accounted for about 15% of total employment in Morocco, 25% in Tunisia and Egypt, 55% in Algeria and 45% in Jordan. In 2002, State-owned companies still account for 57% of GDP in Egypt, 32% in Tunisia and 18% in Morocco.

Development, progress, economic security, the right to work, social welfare improvements and social protection in the broad sense are raised to the status of governmental duties or responsibilities. We find though differences across countries. For instance, these duties are recognised to a lesser extent in Morocco, Lebanon and Jordan than in Algeria, Syria and Egypt. Such framework allowed for the emergence of a middle class, which gave the state its legitimacy, underpinned the bureaucracy and acted as a counterweight to other social forces. With the deterioration of the social and economic conditions in this region over the 1980s and the 1990s, public-sector reforms undermined the forms of social pact developed in the past as well as the links established between the economic and social spheres. The tensions affecting almost all countries in the region stem as much from this lack of coherence, and from unfulfilled expectations regarding the social function of the state, as from the direct loss of household purchasing power. Against this background, the Human Development approach has determined most of the state intervention in the social realm. Social cohesion would then be seen as a subsequent stage of this effort, since it would require widening efforts to further policy areas, including measures aiming at strengthening linkages between communities, families, neighbourhoods and regions.

Nowadays, the social state in MPCs is primarily organized around state education and health services. For public health services, the governments of the region are recognized as having the highest total health spending compared to the other developing regions. In Egypt, Lebanon and Syria, private contributions represent however more than two thirds of the total health spending. Investments in public health have had a colossal beneficial impact on social indicators, although inequalities remain in relation to access to health care. Concerning education, the government spending is relatively high almost all MPCs though not distributed equitably. School attendance has remarkably progressed and literacy rates are improving but gender inequalities persist. The latter pose some constraints to improving social conditions as the proportion of female-led households account for a significant proportion of the poor in the region.

The proportion of public sector employment is diminishing today as the private sector is overtaking its role in job creation, but the private sector job market provides a less secure working life for the middle class. MPCs face problems also in terms of poverty given its rapid growth over the last two decades. Overall, falling incomes and impoverishment among social strata for whom the 'rent' period had secured adequate incomes and a satisfactory standard of living, rising unemployment and unstable, insecure forms of work, together with the undermining of protection measures and public services provided by the states, represent a destabilising division.

Therefore, the issue of what can be conceived as social cohesion in the Arab world is rising. The state programs that have started in the 1990s have proved to be insufficient to overcome growing poverty that increases the inequalities among populations at the economic, social and political levels. The attractive system in which the state offers the social security to population is proving its inefficiencies as it does not offer protection to the entire working population. Added to that, adjustment measures, the streamlining of state budgets, privatisation and the employment market crisis are causing the protected sectors to shrink in favour of the informal economy and bringing about a reduction in the real level of benefits. The role that the state had played to contribute to social cohesion and the development of MPCs thanks to social protection has proved its failure. There have always been dividing lines in the population of this

region as a majority of the population – even the employed – has not benefited from the social protection offered by the state system. The fact remains that improving social cohesion by extending social and economic rights, of which social security is one of the main pillars, seems a feasible undertaking in the context of middle-income countries such as most of those that are under study here.

The Arab Human Development Report 2009 (AHDR, 2009) discusses the historical origins of the current situation. In that sense, states are considered to be as ‘artificial creations’ reflecting a set of communities (religious, ethnic and linguistic groups). After the independence, there was great focus on nationalism as a way to enhance the level of valuation of this diversity. But most of these states failed to initiate democratic regulating systems and institutions of representation that ensure social inclusion and cohesion. This is a result of the unsuccessful and vain of trials aiming to equally distribute of wealth among various social clusters with respect to cultural diversity. The report argues that social cohesion cannot be accomplished due to the conflicts originating from distorted access to political power and/or wealth. There is a lack of channels for representative political participation, and while cultural and linguistic diversity are not officially recognised and promoted. Generally, such issues begin with the misuse of political leaders, ‘for their own ideological ends’, of loyalty ties among groups with common positions of ‘exclusion, deprivation and discrimination’. As an end result, with persistent group tensions, social cohesion could not be fully achieved. These distinct societal groups coexist independently, loosing all sense of citizenship and community is under fear. Consequently, the integrity and cohesion of the modern Arab society is not strengthened and may even weaken over time.

### 2.3.2. The EU approach to social cohesion as a reference for Arab countries<sup>11</sup>

The social cohesion European discourse and logic with all its components have affected the course of human and social development in the Arab world. Policy programs and partnerships between the Northern and Southern countries in areas of common social concern have demonstrated the relevance of some European approaches to the Southern and Eastern Mediterranean region. In fact, the impact of some EU policies may already be noticed in MPCs in terms of economic, political and socio-cultural plans. The dynamics built around the intra-regional trade and investment agreements contribute to the convergence in terms of political and socio-cultural policies flowing from the EU (Aliboni, 1997). Furthermore, drawing from relevant aspects from European approaches to social policy, there are also cooperation programs aim at upgrading the social conditions in MPCs to ensure that all individuals and social groups benefit from gains from development. This adds up to domestic policy efforts undertaken by these countries within the Human Development framework.

Both in Northern and Southern Mediterranean shores, the social cohesion and human development policies are built around two axes: fighting unemployment and poverty as well as making the public facilities accessible to the entire community (Heritier, 2001). There are some similarities in the policies pursued in both EU countries and MPCs in terms of a focus on reduction of regional disparities and strengthening development in the least favoured regions (Rodriguez-Pose and Fratesi, 2002). The liberalization and privatization of public monopolies and their infrastructure network

---

<sup>11</sup> This section draws on Driouchi (2009).

along with the deregulation of service provision (such as energy, water, communication and transport) that has started in Europe during the 1980s has been also applied in MPCs during the 1990s and 2000s.

More specifically, the AHDR 2009 has explicitly recognised the impact of European approaches to social development on recent political and social reforms by Arab countries. These reforms have focused on the concept of citizenship based on “ethnic, cultural and linguistic diversity”. This is a European-inspired concept of citizenship which stresses the importance of social cohesion within different communities. Other reforms have promoted human security and social cohesion to promote a sustainable “level of civic consciousness that makes it possible for citizens themselves to resolve their differences peacefully without state action”.

The AHDR 2009 stresses that development in the region is still slow and demands for a deep change in social policy-making towards enhanced social cohesion and human security. The report argues that social cohesion reflects the ties of the groups and their attitudes and behaviours with regard to the conditions in which they are situated. Human security is in turn fundamental to social cohesion and implies protecting individuals and communities of individuals from all types of violence and inequalities. Safety and freedom from fear, tolerance and respect for others, along with peace and security, are would be identified as important aspects for a stable, harmonious and cohesive urban society.

In this regard, the European experience represents a model for Arab reforms as it represents the expansion of citizenship from civil, to political and social rights. As stressed in previous sections, this model focuses on equality as all citizens have common responsibilities and rights to seek a common identity while including individual and group references. The notion and scope of human security and social cohesion are exogenous to MPCs, and hence they are being developed through series of reforms that interact with those related to the globalization process. MPCs have nonetheless been facing constraints and resistances that reduce their full adoption.

According to the AHDR 2009 report, there are a number of issues to be considered. Arab countries would present certain features that threaten the effectiveness of policy actions for the promotion of social cohesion and human security. These refer to concerns about the fragility of the political, social, economic and environmental structures besides the lack of people-centred development policies, and the vulnerability of the region to external influences. For the adoption of social cohesion policies, Arab countries would depend exogenous frameworks. Some ethnic and political groups in relying on foreign aid and investments may view the social cohesion model differently than those operating under more autarchic and internal resources. Further, when promoting social cohesion approach across the Arab world, we should account for the great cross-country heterogeneity and the fact that different areas have been, through history, the object of conflicts among different powers. In fact, the commitment to such reforms differs across Arab countries while some would seek international recognition and legitimacy others have stated that reforms applicable in Europe require the creation of new conditions of transparency, freedom and human rights.

We can conclude then that some moves towards a social cohesion approach have been noticed at level of the Arab region mainly through increasing government

interventions in the social area. More would need to be done so that the current human development trends shifts to social cohesion policies. Evidence about these changing paths at the regional level is necessary, in particular to assess whether there is some convergence and divergence across countries and between the EU and MPCs (see chapter 3).

#### **2.4. Social dialogue to promote social cohesion at the local level: a common challenge<sup>12</sup>**

Civic participation is a key element for democratic stability as it involves individuals in decision-making, given them the possibility to exert their influence on policy-makers. Greater participation by citizens strengthens trust in institutions and the dissemination of information and thus contributes to the definition of policies based on shared values and consensus. Participation hinges upon the capabilities of people and the capacity of the public institutions to design particular mechanisms for social dialogue. The latter emerges then as a relevant tool for promoting social cohesion.

It is well-known that there is not a universally subscribed notion of social dialogue. Nonetheless, it can be broadly defined as the set of relations - distinguished from conflict - between social actors (Uriarte, 2006, p. 12). Reviewing the approaches to social dialogue in practice, we realise that it appears to be still closely connected to the formal labour relations in which trade unions and employers' organizations play a leading role. However, in post-modern societies new social issues have arisen for which a renewed understanding to social dialogue can contribute to promote greater social cohesion.

At present some European countries, such as Italy and Spain have given particular relevance to social dialogue to implement the policies for local level development<sup>13</sup>. In this regard, both political and administrative decentralization and the principles of participative democracy play a major role and may represent an inspiring process for the MPCs as well. This refers to the development of the local differences and specificities of a certain territory, so as to efficiently face the process of world economic globalization. Social dialogue would then contribute to local development planning as it allows for the involvement of the population in a specific territory in the definition of the objectives and measures for local development. In this view, social dialogue is a tool directed not only to the promotion of social cohesion, but also of territorial cohesion. The set of actors involved is not limited only to employers' organizations and trade unions but includes other social actors. This renewed form of social dialogue would include all stakeholders who represent interests and demands relevant to the local development process.

By looking at the Italian *programmazione negoziata* (negotiated planning), some interesting elements can be inferred for the MPCs. The Italian system of *concertazione* can be described as a method for shaping public policy based on the negotiation

---

<sup>12</sup> This section draws on Izzo (2009b).

<sup>13</sup> Social dialogue is already relevant in developing countries. Specifically, in the LA region, Brazilian has involved a wide range of social actors in the public budgeting in the so-called participatory budgeting processes such as that in Porto Alegre (see Chavez Miños, 2002).

between government and social partners, so as to establish the fundamental economic and social objectives for the community as a whole.

The CNEL (*Consiglio Nazionale dell'Economia e del Lavoro*) would be an ad hoc institution for the promotion of social dialogue in Italian society, as foreseen within the Italian Constitution<sup>14</sup>. The role of CNEL has evolved over time. During the 1960s, CNEL exerted a strong influence on the decision-making process of the Government. Later on, due to the advance of economic modernisation and the strengthening of the democratic institutions, the CNEL lost some of its influence as social partners became more powerful and gained new venues for direct dialogue with the Government. At present, CNEL is a consultative body of the Parliament, of the Government and of the Italian regions in the field of economic and social policy.

One of the most important current activities of CNEL relates to the processes of social dialogue to support local development policies. It plays a central role in the design and the implementation of the so-called *Patti Territoriali* (Territorial Pacts), which were a new instrument within the Italian legislation calls *programmazione negoziata* (negotiated planning, Law N. 341 of 1995).

The *Patti Territoriali* are instruments dedicated to the support of the local development process through the launch of new economic initiatives. In particular, they encourage different stakeholders to meet and discuss the methods for implementing these new economic activities. Normally, they are promoted by local governments, by other public actors performing at local level, by the local representatives of employers and workers and by other private bodies.

CNEL played a particularly important role during the initial phase of implementation of the *Patti Territoriali*. It promoted the agreements between social partners and supported the design of the approved intervention plans, and certified that the collective bargaining process really took place (Magnati et al., 2005). While the definition of these pacts has changed over time, CNEL has kept, by and large, its role.

The involvement of CNEL in *programmazione negoziata* has to be underlined since it shows that this institution has quickly grasped at the new phase of Italian collective bargaining. The latter is increasingly applied at local level, so as to strengthen the process of local economic development.

Considering its origin and development, the evolving role CNEL would represent an interesting experience of the adaptation of bodies to the renewed role of social dialogue in the promotion of social cohesion at the local level. It provides an example of renewed liaison between social partners and institutions for promoting social cohesion. The role of CNEL in territorial collective bargaining is also noted as to the definition of more effective and inclusive local development strategies. Both these elements are interesting for the creation and reinforcement or renewal of institutionalized channels

---

<sup>14</sup> The structure of CNEL is outlined in article 99 of the Italian Constitution which provides for the organization and the explanation of the functions of this institution. Its structure consists of experts and representatives from the professional categories who reach a total of 112 members: one chairman, 12 experts (eight appointed by the President of the Italian Republic, four designated by the Government) and 99 representative from the professional categories (44 representatives of the subordinate workers, 18 representatives of the self-employed workers and 37 representatives of the enterprises).

of civic participation which need also to be dealt with by the democracies of the Mediterranean region

## **2.5. Social cohesion in education and health**

### **2.5.1. Education and social cohesion<sup>15</sup>**

Since the launch of the Lisbon strategy, education and training policies have been at the centre of the EU policy agenda. Education is attached a significant role not only as a means to foster Europe's competitiveness in a context of radical economic transformation but also to ensure social cohesion among European citizens through access for all to quality education over the life course. The present research focuses on the role of education policies in favouring social cohesion. Their role in promoting competitiveness has been also evidenced in international research<sup>16</sup>, but it goes beyond the scope of the research.

Education impacts on different aspects of social cohesion. Green et al. (2003, p. 179) point two different channels through which the effect of education on social cohesion can be explained. On the one hand, the way education distributes skills impacts on income, opportunity and status; and on other hand, education affects social inter-relations and communications of people through the formation of values and identities which are conducive to better cross-cultural understanding and effective civic participation.

This second channel had significant relevance over European history, especially linked to the construction of integrated and cohesive national identities. The era of nation-state building was accompanied by the expansion of mass education. Education was used to disseminate mainstream, dominant national ideologies, norms and languages. In this sense, the role of education within the history of European democracy could be explained through the Durkheimian school, which stresses the role of state and intermediary civic associations as the basis of cohesion in modern societies. To ensure social solidarity, educational policy would be directed to build up homogeneous societies. This component was nonetheless less emphasised during the post WWII period, given awareness of the dangers of nationalist appropriations of education. Later on, it has been increasingly difficult to pursue such policy stance due to the growing complexity and diversity of modern societies which challenge the traditional conceptualisation of national identity (Green et al, 2003).

Consequently, focus has gradually moved from increasing access to education towards addressing educational equality. Actually, in the event of global change, rising inequality together with increasing pluralism and lifestyle diversity in advanced countries put into question older sources of social cohesion. At the same time, the current context demands for a renewed focus on social cohesion as to prevent growing concerns of social fragmentation. In view of this, governments, as well as international institutions (OECD, EU, UNESCO), have set education and training policies as priority instruments. The translation into practical terms is yet under discussion. While

---

<sup>15</sup> This section draws on Duru-Bellat (2009) and Estruch-Puertas (2009a).

<sup>16</sup> See Bassanini and Scarpetta (2001) and Krueger and Lindalh (2001).

education systems would be amongst the few institutions that can still perform a significant role in inducing social solidarity, it cannot be done in the older ways (Green, 1997). For many years, governments gave priority to access to education and training for employment. It is now recognised though that it may not be enough to prevent inequality and social conflict. Besides, in a context of growing concerns about the use of public resources, assessing educational outcomes is becoming more and more important to define evidence-based policies and ensure greater effectiveness of interventions.

From the EU viewpoint, access to quality education would be directly linked to economic integration by means of increasing employment opportunities. Employment is a crucial means to facilitate social integration - through access to income and social security rights as well as enabling the participation in society. There is an emphasis on preventing (long spells of) unemployment, since persistent and recurrent unemployment can lead to social exclusion as citizenship and participation in society are strongly linked to the world of work. Hence, education can ensure that individuals draw on existing possibilities for full engagement in social and political life as full citizens. The education system could nonetheless become a source of exclusion if it does not address adequately its pupils. Higher average educational levels can also result in growing competition and less commitment to societal solidarity. A key policy challenge will consequently be that of increasing educational access while ensuring the commitment of citizens to the European Social Model. This entails paying not only attention to the expanding access to education across the board but also, and especially, to attainment (completion) and to quality. These factors mostly refer to tackling sources of educational inequality.

While it has been long argued that there is a trade-off between equity and efficiency when defining interventions in the education sector<sup>17</sup>, a series of reports (OECD, 2007b) as well as academic articles (see Wößmann, 2008) show that equity and efficiency can actually be complementary. The most evident example is in early and basic education, since school failure at these early stages, especially of children in disadvantaged households, involves greatest costs at the societal level later on, especially in view of general upgrading of attainments and qualifications.

Focusing on the educational policies to foster social cohesion, both individual outcomes and societal outcomes are to be taken into account (OECD, 2007a). To date, most of the research has focused on effects at the individual level, mainly measuring which are the socio-economic characteristics which explain inequalities in educational attainment. Some of these positive effects may however turn to be ambiguous when assessed at more aggregate levels. At the individual level, successful education may bring better socio-economic outcomes which reinforce self-esteem and sense of self-sufficiency. But, at the societal level, they may result in more risks of social fragmentation, due to weakened respect for authority and fragility of families and communities (given increase in individualism and autonomy) (Duru-Bellat, 2009, p. 4).

Likewise, the positive impact of higher educational attainment in terms of job opportunities at the individual level may not be found at the macro level. The fact that

---

<sup>17</sup> The redistribution of resources to those in greatest need would foster equity but at the expense of efficiency gains (see Wößmann, 2008 for a review of this argument and counter-arguments).

better educated earn more or/and are less often unemployed does not imply that an increase in the national average level of education will lead to higher income levels or lower unemployment rates. Job opportunities may be ranked, and rankings may remain the same even if everybody has higher education levels. For instance, in the European context, the expansion of the overall level of education has not prevented the persistence of high youth unemployment. This evidence would indicate that, for high levels of education, additional increases do not necessarily translated in socio-economic benefits and instead may bring unfavourable effects which are detrimental for social cohesion. This also implies that the growth effects of education across countries may not be linear and constant (OECD, 2006a, p. 157; Duru-Bellat, 2009, p. 5).

While education certainly has a significant effect, there are other factors that also enter into play at that the society level. Education has an impact on multiple dimensions, such as health and employment, but also the functioning of tax and social protection systems and the use of technology and cultural practices. This conception of the multiple linkages of education with other policy fields is embedded in the Lisbon Strategy.

Existing empirical evidence at the societal level finds strong and significant correlations between measures of equality, in terms of education and income, and a broad range of social cohesion outcomes, which can include measures of general and institutional trust, crime, as well as of civil liberties and political liberties. There is though not certainty about the directions of causality or the exact mechanisms through which education has its effects at the societal level (Green et al., 2006).

From existing research we can put forward some ideas about the role of education policies in favouring greater social cohesion. Improving educational equality (i.e., looking at the distribution of education, rather than the mean level) is recognised as a priority for education policies to effectively promote social cohesion. Educational inequality has an impact through the skills distribution and thus income. It also affects the cultural distance between individuals which makes inter-personal relations and communication more difficult, which is clearly detrimental for social cohesion. Given the linkage between education and income levels, income inequality should also be considered (OECD, 2007b).

Countries with more educational equality would be also more equal in terms of income and would have higher levels of social cohesion, as captured by the different indicators used. Hence, educational equality would be positively correlated with social cohesion outcomes independently of income distribution. Unequal education systems are likely to be associated with greater social and economic equality in society at large (as well as being a product of it), which can lead to greater social tensions. This detrimental effect may occur independently of income inequality to the extent that unequal education may increase status and cultural disparities between groups. Greater social cohesion and more solidaristic cultures are likely to contribute to more equal aspirations and to support certain types of policy interventions, which in turn promote both income equality and educational equality (Green et al, 2003).

Further, current education policies and reforms that seek to promote equality and social cohesion increasingly focus on the quality (rather than the quantity) component. There is growing awareness about the importance of the type or style of education, as well as the excellence of education programmes. This stresses the fact that education is

not a uniform good and that it is becoming increasingly heterogeneous. From the demand side, there are increasingly diverse education programmes, especially given the emphasis of continuous learning over the lifetime and the changing learning needs due to technological change. From the supply side, the composition of the classrooms is changing, for instance in terms of age, gender and ethnic origins. This should also be considered when assessing the policy implications for the composition of curricula and especially that of the classrooms.

There would be three areas in which policy may bear on education equality: the design of education system, practices in and out of school, and resourcing. Traditionally, education systems tend to sort students into different tracks, institutions and streams according to attainment. The type of tracking may increase or decrease inequalities in education. For example, limited early tracking and later academic selection (i.e., increasing the age of first tracking) seem to be related to higher equality. Equality concerns may also arise regarding the school choice. Greater school choice increases differences in social composition in schools which would be detrimental for social cohesion at the societal level. Systems with academic selection tend to benefit relatively more those with a better start in life, and better-off parents may have the resources to exploit choice. As regards to resourcing, there are financial constraints that prevent many countries from increasing education spending to address educational inequality. There is a greater focus on improving the targeting of existing education expenditure to individuals and regions with greatest needs (OECD, 2007b).

Increasing dynamism of skills requirements and the central role of employability in the EU policy framework raises the need of promoting the employability of workers over the lifetime in view of increased dynamism in the workplace. From a social cohesion point of view, it becomes important to ensure that vulnerable worker categories have access to training during adulthood. Given the importance of training over the lifetime, the earlier the educational process is started, the more chances that individuals can easily access and learn to move within the education and training systems later on.

Returns of educational investments seem to be highest at early states and, in particular, for children from disadvantaged families (Wößmann and Schütz, 2006). An education system that favours early intervention would be contributing to both to ensuring equal opportunities and to improving efficiency. As mentioned above, a high-quality education at the pre-schooling level can bring multiplier effects to future educational returns as well as potentially increasing overall achievement at later stages. Together with quality monitoring mechanisms, this demands for generalisation and strengthening of pre-school education while paying particular attention to children from a disadvantaged background which is not educationally stimulating (SWP, 2006).

In conclusion, given that education has an effect on inequality, it can be stated that education is a crucial factor in promoting greater social cohesion (Green et al, 2003, 2006). When the aim is promoting social cohesion, there would be a case for setting educational policies which prioritise the reduction of inequalities to participation to quality learning. Besides, given that education seems to be associated with better health, longer life, successful parenthood and civic participation, these interactions should be accounted for in the policy design of education policies for social cohesion. Over the longer-term, educational failure entails significant social and economic costs, because insufficient or inadequate skills may prevent individuals from engaging into

societal and economic activities which in turn leads to higher costs for health, income support and social assistance.

The recognition at EU level of the crucial role of education is a positive development, as there is abundant research confirming the links between education, training, economic progress and social cohesion. It is true though that evidence also shows that education alone cannot bring about all desired effects under any conditions. Education policies interact with a number of other policy dimensions, in the sectors of employment and of health, as well as industrial and tax policies. This is recognised in the Lisbon Agenda, and it is then also to be considered in any analytical exercise that attempts to examine the underlying dynamics between education policies and social cohesion. At the measurement level, progress in terms of education and training can be measured through quantitative and qualitative indicators. It is however difficult to disentangle the impact of education on growth or social cohesion because of these complex inter-linkages with other relevant factors. Education interacts with a wide range of factors, and social cohesion itself entails a large combination of societal phenomena. Focusing on correlations that measure a certain outcome in relation to a certain education system's feature may not be suitable, since it is more likely that it is the whole institutional set that constitutes the effect of the education system on social cohesion at the society level. Besides, it may be risky to focus solely on correlations since they do not always imply causality (Duru-Bellat, 2009). As mentioned before, further research is necessary to discern which might be the results of investments to expand education. Due to the cumulative effects of education, at the societal level, education may operate only above and up to a certain threshold; while at individual level increasing investments in education may still bring gains.

### 2.5.2. Health and social cohesion<sup>18</sup>

An increasing number of studies documented the existence and widening of inequality across Europe, and the presence of significant health stratification among different segments and categories of society received increasing attention during the past decade in Europe. As a consequence, health statuses as well as sectoral health policies have been discovered as critical in mapping and defining social inequalities within and between the EU countries.

According to Mackenbach (2006), in conceptualizing the influences on equity that explicitly includes distribution of health as an outcome as well as characteristics of the society as influences, we can consider:

- Inequalities in mortality: everywhere in Europe, there is a strong positive correlation between rates of premature mortality and socio-economic status (measured by the level of education, income or occupation), particularly as related to some specific causes of death.
- Inequalities in morbidity: associations between socio-economic status and chronic diseases and disability have been stable over the decades, confirming a positive correlation between morbidity and socio-economic status.
- Inequality in access to health care services: there is overwhelming evidence that socioeconomic inequalities in health exist and that the poor are disadvantaged also in terms of health behaviours and access to health care. There is also

---

<sup>18</sup> This section draws on Huber (2009).

evidence that the trend in inequality in health and in health care access rose over the course of years.

In reviewing these facts, it is important to stress the specific objective that health policies should address in terms of reduction of disparities in access to health care. In fact, inequities in health have been generated through unequal allocation of public resources between various regions and between different sectors of the health system. In addition, the prioritisation of different sectors of the health systems in the various countries may also have had a negative impact on equity in health. In general, the more advantaged the individuals, in socio-economic terms, the better their health, as measured by self-perception, in physical or psychological terms. The poorer state of infrastructure and transport in some areas directly affects and reflects geographical disparities as well.

Socioeconomic status and health are tightly linked, and the effect of one on the other can be huge, through feedbacks and mutual reinforcing effects. The health status and discrimination play a vital role in poverty. Indeed, the fact that social disadvantage correlates so closely and powerfully with bad health can make it extremely difficult to isolate linear causal links. Various types of socio-economic disadvantages, such as unemployment, poor educational achievements, neighbourhood violence and crime, affect health status and, on turn, are affected by it in defining a conundrum of poverty.

Under the circumstances of these complex interactions, it is important to analyse new ways that characterize illness and health to clarify the nature and extent of the impact of poverty on health and vice versa, and to assess the effectiveness of policy strategies to reduce the disadvantage that derives from it. In particular, there are great differences in health status between social groups: mainly the disadvantaged groups represented by elderly and women (especially in single parent families), children, the ethnic minorities and the homeless are strongly affected by health problems and poverty.

From above paragraphs, it emerges that they are both clearly linked to social inclusion and poverty, even if causality may go on both directions. Besides, education and health are also interrelated in a context of promoting greater social cohesion. Linkages are acknowledged here even if they go beyond the scope of the present research. Namely, access to education is associated with higher levels of health literacy, which facilitates not access to the health system mechanisms (lowers barriers) but also prevention (which is gaining increasing relevance within the health care systems). We can also identify linkages between good health and integration and advance into the education system. A clear example is the integration of disabled children into the school system. There is also the need for ensuring that disabled workers and people reintegrating after a disease are granted full access to continuous training within the context of life-long learning.

## 2.6. Social cohesion policies in education and health care in the EU and in Southern Europe

### 2.6.1. Main features of Southern Welfare State

As identified by the seminal work of Ferrera (1996, 2005), the so-called Southern European model of welfare refers to Italy, Greece, Portugal and Spain. Countries within this typology are characterised by a familistic model with basic and residual role of the state in the provision of social security. Three main elements characterise this welfare regime. As stated, there is first the central role of the family as informal provider of assistance. The family, rather than the individual, is the unit for welfare assistance. This implies a lower level of state intervention in social assistance, while the family (especially female members) is expected to provide for child, elderly and disabled care. Overall, one can say that, compared to social democratic, liberal and conservative welfare regimes, these countries are characterised by late labour market entry, low job mobility and high social inequality high, and by rudimentary public service provision. Another characteristic of this welfare regime is the large share of informal economy, which poses constraints to the development of social assistance programmes especially in terms of financing, since social assistance is typically through general taxation. Last, weak administrative capacity in Southern European countries has also been a constraint for the development of social programmes.

It is worth recalling that this typology of welfare regime is under further stress within the context of the transformation of labour markets and societies, and in view of the increasingly complexity of social and job risks associated to increased job precariousness, new family profiles, and other structural changes (demographic ageing, growing immigration, female labour market participation, low fertility rates)<sup>19</sup>.

Against this background, though, we note that Southern European countries have been rather active in the promotion of the EU agenda on poverty and social exclusion. Their domestic policy agendas have been influenced by EU guideless and experiences in other EU countries.

### 2.6.2. Main policies in health: EU and Southern Europe<sup>20</sup>

#### 2.6.2.1. The EU and the health care policy

Efforts to develop a comprehensive European health policy framework have been quite strenuous and recent. Member States keep full responsibility over the design and the implementation of the health care policies, while the EU can only put forth influence in terms of coordinating national experiences towards the achievement of common objectives. The development of a EU common strategy in the health care sector among the Member States has required considerable efforts over the last decades. Within the Treaty of Amsterdam (1997), the competences of the Community over health were though expanded, as noted in article 152. In the past, the authority of the Community over the Member States was restricted only to the prevention of major diseases (see article 129 of the Treaty of Maastricht). Thanks to this expansion, some advance has been possible in the coordination of health care policies. Since then, the activities of the

---

<sup>19</sup> See also Zupi (2009b).

<sup>20</sup> This section draws on Izzo (2009a).

Community include the improvement of public health care in the Member States. This has to be achieved by the incentive measures to the members and through the coordination among the States of specific activities in the health care sector (Holland, Mossialos and Permanand, 1999).

According to the *2008 Joint Report on Social Protection and Social Inclusion* by the European Commission, the promotion of social cohesion in the health care sector entails above all tackling all inequalities in this domain. Fundamentally, addressing health inequalities entails that all European citizens, without exception, are granted access to health care, to long term care and to the prevention services. The universal right to health care is actually recognised in the legislative framework in all EU Member States, often by the establishment of National Health Care (NCH) systems. Some of them have though adopted a systematic approach in order to tackle inequalities in the health care domain. However, the access to health care in the EU territories is still unequal. Inequality in access to quality health care services appears to be strictly linked to socio-economic differences, including income, gender and ethnic origin, but also to the place of residence in view of significant disparities within national territories.

Taking into account these factors, the EU has been encouraged by several expert reports to undertake a specific health strategy to strengthen the social cohesion in this domain as well. A key element of the EU strategy should be the prevention of the so-called risk factors for marginalised groups. The latter entails the safety on workplaces and promotion of healthy nutrition in schools, for example (Byrne, 2004).

Another important issue which - as Byrne (2004) states - most of the EU countries have to address is the progressive ageing of their population. The latter has become a relevant issue due both to the significant demographic change which the European population undergoes -progressive ageing population and drop in fertility rates- and to the massive entrance of women into the labour market over the past decades, which has questioned their role of primary caregivers inside the households (Lyon, 2006).

In October 2007, the European Commission decided to launch the first common health strategy, named *Together for Health- a Strategic Approach for the EU 2008-2013* (European Commission, 2007). This document is based on four key principles and focuses on three strategic themes. The most important element is that Member States are encouraged to collaborate to achieve these goals. The cross-cutting nature of health care is recognised in this document, as Member States are invited to pursue the objectives in health care bearing in mind other public policy sectors. For example, linkages with regional and environmental policies in the regulation of pharmaceuticals and food, and the organization and coordination of the social protection systems for the promotion of health and security in workplaces.

Within the EU health care strategy, social cohesion in the health care domain is understood as the sharing of basic principles such as the universal access to health care, the right to receive high quality assistance, the promotion of the principles of equality and solidarity and of citizens' participation to the governance of the health care system. Therefore, overcoming of inequalities among Member States and their regions lies in the core of the EU strategy (European Commission, 2007).

A crucial component for the implementation of the strategy is the involvement of other partners a part from the National Health Systems. In particular, NGOs, industry, mass media and academia are considered key actors in the promotion of social inclusion in the health care sector. Examples of coordination are found in the fight against the HIV/AIDS in the EU and in the neighbour countries and in the Community action strategy regarding the lack of human resources in the health sector, registered in the developing countries (European Commission, 2007). The establishment of partnerships is considered fundamental also fundamental for the promotion of social cohesion in the health care domain (Byrne, 2004).

As mentioned above, one of the main challenges across the EU is the progressive ageing of the population, which also creates some issues as regards to the achievement of greater social cohesion. In this sense, it is necessary to avoid that frail elderly who cannot rely on a good retirement pension schemes and on the continuous monitoring by a caregiver could fall into a state of deprivation and marginalisation.

The resort to institutionalization is another trend inside the EU Member States which should be considered when assessing implications of health care policies as to social cohesion policy. Looking at the Member States' national reports on social inclusion, we realise that personalised care is perceived as a growing need. Given changing health care needs, care that responds to the individual needs of the people who are not self sufficient is considered more appropriate. It would be rather home-based and hence delivery at the local level would be increased. This type of assistance would be preferred to institutional care, which is too expensive in a context of overall cost-containment across EU countries (Kuhlmann and Allsop, 2008). At the EU level, this type of assistance is deemed particularly crucial to the extent that resources from Structural Funds have been put forward to promote home-based care.

The promotion of social cohesion in the health sector is monitored through the use of indicators that capture the advancement towards common goals. This was first done through the project for the European Community Health Indicators (ECHI), which developed a first set of agreed indicators which cover a wide range of relevant dimensions in the health care domain. For instance, the set foresees indicators related to the organization of the health care system such as total health expenditure per capita and as percentage of the GDP, as well as expenditure on main types of activities or functions of care; total expenditure is also disaggregated between public and private sectors; as well as indicators for the total number of practising physicians, and the density of nurses and midwives, as well as for the proportion of the population covered by health insurance and the total expenditure for nursing care as a percentage of the GDP of each country. The set of indicators would also include indicators that measure health care and health status at the individual level, such as: average life expectancy, average healthy life years, infant mortality by socio-economic status, and vaccination coverage in children. At the individual level, other indicators are included refer to the determinants of health status, like daily cigarette smokers in the population and the amount of alcoholics consumed per person per year. There are also indicators for the interventions by health services, these are measured for instance in terms of percentage of persons screened for particular illnesses such as colon rectal, cervical and breast cancer and the survival rate registered among individuals who have been affected by these diseases. Work in the measurement of health care is still on-going, as much needs to be done in terms of comparability of concepts and measurement approaches, in view of significant diversity across national health care systems. The ECHIM (European

Community Health Indicators and Monitoring) is a three-year project which is expected to develop and implement health indicators and health monitoring in the EU and all EU Member States<sup>21</sup>.

In conclusion, from a social cohesion point of view, the EU stance to health care policies would be that of addressing inequalities in access to health care while preventing inequalities linked to changing demographic profile of the population. There is tough a long way to go in terms of effective coordination as the EU influence may still take some time to be perceived, in view of the recent development of the common strategy and the on-going debate about indicators.

#### 2.6.2.2. Southern European policies

Moving to the Southern European context, we focus on three national experiences: Spain, Italy and Greece. These countries present some particularities in the field of health care provision. While the social protection systems of these nations is grounded on the insurance principle, the national health systems services are principally supplied on an universal basis and predominantly financed through general taxation. The delivery of health services often present though low levels of efficiency, especially in Greece (Katrougalos and Lazaridids, 2003). As a result, a number of individuals, especially those living in less developed areas face some barriers to access to health care services, mainly because of the lack of medical facilities and of the length of the waiting lists in public hospitals with reference to particular types of surgical interventions. Therefore, in these countries, the promotion of social cohesion in the public health domain would not refer to the overall structure of their NHSs, which have been designed to guarantee the right to the universal access to health care services, but to the low efficiency in the planning and delivery of health care services especially in the rural- or insular in the Greek case- areas of these countries. This would be the main area for improvements in order to overcome social and territorial inequalities in the health care sector.

In order to assess the capacity of promoting social inclusion of Southern European NHSs, crucial dimensions to be examined would be: the population coverage, the range of the services delivered, the length of waiting lists, and the existence of territorial inequalities (Petmesidou and Guillén, 2008). Hence, we have analysed these aspects for Italy, Spain and Greece on the basis of the National Action Plans (NAP) on social inclusion and national documents.

As for the Italian case, a significant evolution in relation to health care policy is found in the framework of the Italian NAP on social inclusion. Compared to the past, there would be a change towards a network approach which requires that health services are provided by involving families, associations, charities, hospitals and local authorities in a coordinated manner (Ministero del Lavoro, della Salute e delle Politiche Sociali, 2008). This change would be in line with the spread over the last years of the principle of marketisation in health care policy-making in Europe (Kuhlmann and Allsop, 2008). The importance of networks and partnerships is recognised within new approaches to the regulation of the public domain (Newman, 2001). Another important evolution in the Italian agenda has been that of recognising the need for reforming primary care

---

<sup>21</sup> See also: ECHIM, [www.echim.org](http://www.echim.org).

with particular reference to the elderly. In this respect, the necessity to foster formal services in support of home care is underlined. Among the Italian health care objectives, there is also attention to prevention activities, especially in terms of cardiovascular diseases, cancer and accidents.

Equality in access is mainly pursued through the essential levels of care (*livelli essenziali di assistenza*), which are established by the central government. They are minimum standards of assistance that have to be satisfied across the country. In particular, the Italian authorities have identified the need for reducing waiting lists in public health care as a means to further promote social cohesion. The goal would be to reduce waiting time in 100 types of health services which have been identified as highly important. It is expected that it will facilitate access to disadvantaged groups as they often cannot afford access to private health services and are forced to wait for a long time before being examined.

The implementation of these objectives hinges upon the particularities in the governance system of the Italian health care system, which has been frequently defined as a system made up of different 'regional health care systems' (Pizzuti, 2008). Italian regional and local governments play a key role in putting into operation the strategy of promotion of social cohesion in the health care domain. Italian regions have the power to determine the organizational model for provision of the health care services and the type of relations with the *Aziende Sanitarie Locali (ASL)*, which are public enterprises under the control of the regional government.

NHS rely on the principle of the universalization of access to health care services and hence the equity of the system would hinge upon its financing patterns. As already mentioned, universal access is guaranteed thanks to financing from progressive general taxation rather than social contribution. In this regard, Italy appears to fit perfectly into this model since, according to OECD data, its main source of financing would come from general taxation, approximately 70 percent in 2006, while the remaining would be covered by out-of-pocket payments and other forms of funding (Petmesidou and Guillén, 2008).

As in other European realities, the Italian governments have attempted to follow a cost-containment policy in health care. The disbursements in this sector have however continued to be quite high, remaining at around 8 percent of GDP over the 2000s. Most of the expenditure concentrates in medical staff and pharmaceuticals, while prevention is devoted few resources. The promotion of social inclusion in this country requires a more systematic strategy which targets vulnerable groups and channels a significant amount of resources for the promotion of more specific programmes.

As reported in the NAP on social inclusion (2007), one of the major objectives to be achieved in Spain refers to the development of more personalised care services, especially for dependent people (Ministerio de Sanidad y Política Social, 2008). The latter have become a prime target with the enactment of the law on dependence in 2006, which recognises care for dependent people as a social right. The EU influence is also noticed within the new Spanish law on dependent people (*Ley de Dependencia*), which represents one of the main innovations introduced about health and social care during the last ten years. This law has been clearly inspired by the remarks made by the European Commission in the framework of the EU Health Care Strategy, especially with regard to the de-institutionalization and personalization of care and the full

integration of disabled into society (European Commission, 2007). Spain is the only Southern European country which expressly recognises in its NAP the presence of gender biases in the health care domain, especially when approaching specific problems such as gender violence (Ministerio de Sanidad y Política Social, 2008).

As in the Italian case, in Spain, there is a particular concern for reducing waiting times, especially for vulnerable groups, which demands for better coordination between primary and specialist health care. There is also an emphasis on improving the provision of pharmaceuticals, especially for marginalised groups and for the elderly. Spain has been particularly committed to this aspect since pharmaceutical expenditure has historically represented a large share of total health expenditure (Lopez-Casanovas, 1999), but it would be necessary to promote a more effective coverage in this domain.

It is important to underline that the governance of the health sector in Spain is highly decentralised: authority on health care in Spain has been devolved to the regions (*Comunidades Autónomas*) (Lopez-Casanovas, 2007). The principle of managerialism has been applied for years in the Spanish NHS, mainly through which, hospitals and INSALUD (central body of the Spanish NHS) establish annual framework contracts (*Contratos programa*) which are then assessed in terms of the so-called *Unidades Ponderadas de Asistencia* (or weighted care units) which provide a means to measure results in relation to pre-established objectives and to ensure comparability across the Spanish territory, which is important to assess that health services are equally provided in all regions. According to the Spanish NAP (2008), the modernisation of the NHS should be still pursued and priority should be given to equity issues, which would require reinforcing the social dialogue which should promote the participation of disadvantaged groups in health care decision-making.

In terms of financing, like the Italian one, the Spanish health care system corresponds to the NHS model which relies mostly on general taxation. For instance, in 2006, approximately 63 percent of health care financing was based on taxes, while 35 percent relied on out-of-pocket payments. The remaining derived respectively from social contributions and private insurances (Petmesidou and Guillén, 2008). Unlike Italy, Spain seems to invest relatively more in the prevention activities, which corresponded to 2.3 percent of total health expenditure in 2007.

The Greek strategy on social inclusion in the health care sector slightly differs from the Italian and the Spanish ones. The NAP concentrates on a more limited number of objectives (Greek Ministry of Labour and Social Security, 2008). The reason for this relates to the difficulties faced by the Greek NHS to implement cost -containment policies in line with those carried out in almost all EU countries as response to EU pressure (Mossialos and Le Grand, 1999). These rearrangements of the NHS structure are quite recent and have required a significant effort by the Greek authorities.

Strengthening of primary care is the main priority in the Greek strategy for the promotion of social cohesion in the health care sector (Greek Ministry of Labour and Social Security, 2008). Further needs to be done in view of the significant fragmentation of the NHS in Greece, especially in terms of regional disparities in population coverage. In this respect, the role to be played by the local level of government is deemed crucial and it was acknowledged in the 1997 reform which established regional public health authorities with the creation of Networks for Primary Health

Care Provision (Mossialos and Le Grand, 1999). The new Law 3527/2007 addresses the restructuring of NHS at the regional level by introducing the principle of managerialism, like in Italy and in Spain. According to this law, the existing 17 health care regions should be merged into seven regions to enhance the effectiveness of the health care services in terms of rationalization of costs without damaging the principle of regionalization.

Over the past years, the Greek strategy for social inclusion has paid particular attention to the mental health care domain. In particular, one of the major objectives has been the progressive de-institutionalisation of mental care (Ministry of Labour and Social Security, 2008). Given that people suffering some form of mental illness are particularly exposed to the risk of social exclusion, an effort has been made to integrate these individuals in the society through the labour market. More specifically, the experience of KoiSPE, which are cooperatives to support mentally ill persons in their rehabilitation and in their progressive social re-integration (Seyfried, 2005).

Pressures to promote cost-containment policies in the health care domain are strong in Greece as well. Despite efforts by Greek authorities, health expenditure has remained however high at around 9 percent over the 2000s. The composition of Greek health care financing is somewhat different to the Italian and Spanish ones. In 2004, around 20 percent of total health expenditure was financed out of taxation and indirect taxes accounted for a significant part of it (Petmesidou and Guillén, 2008, p.111). Spending in pharmaceuticals appears to be quite high and, in 2007, it corresponded to 24.8 percent of the total health expenditure.

In view of these factors, continuous efforts for the restructuring the Greek NHS seem to be still required. Given requests for more effective use of resources, attention to equity issues should be pursued through more targeted measures to disadvantaged groups and areas.

Table below summarises from a comparative point main trends in health expenditure in Italy, Spain and Greece. Figures confirm the arguments presented in above paragraphs.

**Table 1 – Health expenditure trends in Southern Europe**

Health expenditure as percentage of GDP								
	1990		1995		2000		2004	
	Total	Private	Total	Private	Total	Private	Total	Private
Greece	7.4	3.4	9.6	4.6	9.9	4.	10.0	4.7
Italy	7.7	1.6	7.1	2.0	8.1	2.3	8.7	2.2
Spain	6.5	1.4	7.5	2.1	7.2	2.0	8.1	2.4
Health expenditure per capita (PPP USD)								
	1990		1995		2000		2004	
	Public	Private	Public	Private	Public	Private	Public	Private
Greece	453	391	650	600	850	766	1141	1021
Italy	1097	290	1104	430	1521	562	1852	615
Spain	688	185	861	332	1055	465	1484	610

Source: Petmesidou and Guillén, 2008, pp. 112, based on OECD data (2006).

For instance, we notice that in all three countries expenditure in health care has increased over the last decades. There are cross-country differences though, for instance, in Greece, the percentage of GDP is higher, pointing to above-mentioned difficulties in implementing cost-containment measures. As regards to the role of private sector in health care provision, it would have gained relevance in all three

countries (both as percentage of GDP and per capita levels), but it would be relatively more important in Greece. It would indicate more problems as to population coverage in this country. Per capita spending remains relatively lower in this country in both the public and private sectors.

The distinguishing characteristics of the Southern European welfare model would make these countries fairly comparable to the MPCs. However, any exchange of health care practices for the promotion of social cohesion should bear in mind important differences between these two regions.

As concluding remarks, we recall some features in Southern European health care systems. First, all of them refer to the national health care systems model which expressly aims to the promotion of the community health and which are predominantly funded by the public sector. In terms of social cohesion, such model would guarantee the universal coverage to the whole population, even though in all of them in practice there are regional disparities. Second, given low fertility rates and a high proportion of elderly people, priorities in policy making have required changes in the delivery of health services, with the adoption of de-institutionalisation principle and favouring home-based services. Last, like other European countries, Italy, Spain and Greece are carrying out cost-containment policies in the health care domain in order to balance their national budgets. This situation clearly reduces the amount of resources available for the promotion of social inclusion policies. Therefore, the most important challenge that these Southern European countries have to face in their pathway to social inclusion in the health care sector refers to their capacity to use efficiently resources available in order to adequately respond to the needs of vulnerable groups.

### 2.6.3. Main policies in education: EU and Southern Europe<sup>22</sup>

#### 2.6.3.1. EU Education and Training Policy

At the EU level, equality/equity-related issues in the area of education have received growing attention. The EU Lisbon agenda for education and training, together with competitiveness/efficiency-related goals, establishes some targets with a focus on equity issues, and hence linked to social cohesion. Three overarching objectives for European Education Systems were determined: (i) increasing the quality of education and training systems in the EU; (ii) facilitating the access of all to education and training systems; (iii) opening up education and training systems to the wider world. In 2002, the European Council adopted a 'Detailed Programme on the follow-up of the objectives of education and training system in Europe', also known as 'Education and Training Work Programme 2010'. The general objectives were translated into 13 specific objectives and indicators for measuring progress were also indentified<sup>23</sup>. More specifically, quantitative benchmarks were established to be achieved by 2010, namely:

- the average rate of early school leavers should be no more than 10%;
- the total number of graduates in maths, science and technology should increase by at least 15%, while the gender imbalance in these subjects should be reduced;
- 85% of 22 year olds should complete upper secondary education;

---

<sup>22</sup> This section draws on Estruch-Puertas (2009a).

<sup>23</sup> See: Official Journal C 142/01 of 14/06/2002.

- the share of low achieving 15 year olds in reading should decrease by at least 20%; and
- the average participation of working adults population in lifelong learning should rise by at least 12.5%.

As regards to social cohesion, it was agreed to monitor the advance in participation in pre-school education, civic skills, share of low performers aged 15 in reading literacy, participation of adults in lifelong learning, and the level of educational attainment of the overall population. There are annual reports which provide figures for the EU27, which allows to monitor the advance and to identify good practices. Table 2 reports progress towards agreed benchmarks achieved at the EU aggregate level for each of the indicators. All of them indicate gradual progress towards the targeted percentage, but these aggregate figures certainly hide substantial cross-country heterogeneity.

**Table 2 - Progress achieved at EU level towards benchmarks in Education and Training**

Indicator	2000 (%)	2006 (%)	2007 (%)	Benchmark (2010, %)
Early school leavers (ages 18-24) <sup>1</sup>	17.3	15.3	14.8	10
Low-achievers in reading (15 years old) <sup>2</sup>	21.3	24.1	:	20
Upper secondary attainment (ages 20-24) <sup>3</sup>	76.6	77.8	78.1	85
MST graduates per 1000 young people (ages 20-29) <sup>4</sup>	:	25.9	:	15
Lifelong Learning Participation (adults aged 25-64) <sup>5</sup>	7.1	9.6	9.7	12.5
<sup>1,3,4,5</sup> Eurostat (LFS/UOE data), <sup>2</sup> OECD (PISA data)				
Source: European Commission, DG for Education, Youth and Culture (extracted in July 2009)				

In the European policy approach to social cohesion, two types of education policies should be favoured. There would be a first strand of policies that attempts to increase the average level of education. It includes measures which seek to expand access to and completion of education. This would be strictly linked to the goal of preparing individuals to the challenges of the knowledge-based society. The second type of policies would explicitly attempt to address the risks of exclusion. The goal is thus to address educational inequalities, and this requires policies that concentrate in reducing differences between better-off students and the weakest ones all over the learning stages. This would involve removing obstacles that disadvantaged individuals face due to personal, not chosen characteristics (for instance, ethnic origin, social background, gender) (Duru-Bellat, 2009, p.8). In practical terms, focus is placed on those at disadvantage and the aim is to reduce distances at the earliest stages, but it is also important to devote resources to latter learning stages such as adult learning, given changing skills needs in the labour market.

In Europe, as shown by the above-mentioned 2010 benchmarks, early school leaving and low levels of completion are increasingly perceived as issues which entail significant costs at the societal level. However, high early school-leaving rates are still found all over Europe, and the trend has been increasing in several countries. Since education is becoming increasingly important as a determinant of future social and economic well-being, educational under-achievement will inevitably lead to difficulties in securing employment and less participation into training during adulthood (Tsakloglou and Papadopoulos, 2002). Early and sustained interventions should be favoured to assist those who are most likely to drop out of school and provide them

with guidance until they reach an adequate level of education. These interventions should include various measures such as formative assessment, which implies feeding back information about performance to student and teacher and adapting and improving teaching and learning in response, with a particular focus on students at risk, and reading recovery strategies, which relates to more short-term, intensive interventions of one-to-one lessons to help poor readers to catch up; and monitoring should also be foreseen.

Although early and sustained intervention is commonly seen as the most cost-efficient way of tackling the problem, other tools have also to be considered. In this regard, reinforcing the employability and adaptability of young under-achievers through vocational training is particularly relevant. These policies deal with high rates of drop outs in upper secondary education by providing attractive alternatives within the vocational training system. In Europe, there has been a call for national systems to modernise learning pathways by increasing the flexibility and recognition of non-formal and informal learning, while removing dead ends and promoting effective links with the labour market.

As mentioned above, parental educational background is to be accounted for when addressing educational inequalities. Parental background is a key determinant of differences in initial knowledge levels at school entry and of differences in the learning process at early stages of the educational career. At the policy level, the strengthening of the links between school and home is needed in order to increase parental involvement and assist disadvantaged parents help their children to learn. This may include not only working with the children at home but also actively participating in school activities to develop environments conducive to learning. It seems that, all other things being equal, schools that invest in communication and participation by parents, and provide assistance to parents to support their children with their school work (e.g., after-school homework clubs) tend to achieve better learning outcomes (SWP, 2006).

This strand of educational policy is particularly relevant in the case of households of immigrant origin, which are growing in numbers across Europe. Education systems have been acknowledged a crucial role in ensuring successful integration of migrants and their children. It implies though several challenges at the policy level given greater diversity in the classrooms and new requests in the curricula, such as special language courses (Duru-Bellat, 2009). Immigrant children appear to be at particular disadvantage in terms of educational attainment, and also of labour market and social inclusion. Thus, promoting early schooling among children of immigrant origin is expected to contribute largely to their societal integration into the host society later on. This can be achieved especially if language difficulties are also addressed from the outset and parents are involved in the process of education of their children. In this regard, educational systems have a role in creating community linkages especially if schools are provided sufficient autonomy to adjust curricula content and define extra-curricular activities according to the local demand. This brings us to another relevant policy area that of continuous training for teachers, which should provide with adequate skills and tools to ensure that they are capable of dealing with these new demands.

Over the longer term, from a social cohesion perspective, it is also necessary to increase the attractiveness of learning. Failing to attract students to learn since the very early stages in life can result subsequently in under-performance in school or even early

school leaving, which increase the risk of labour market detachment and social exclusion. Growing demands for adaptability and continuous acquisition of new skills make more important than ever to ensure success on the labour market. Teaching methods are relevant in this regard, including not only pedagogical tools and curricula content, but also a closer cooperation between teachers and parents and fostering attitude towards learning.

### 2.6.3.2. Southern European policies

As in the section on health care policies in Southern Europe, we concentrate in the Spanish, Italian and Greek experiences to assess education policies to promote social cohesion.

These three countries lay behind relative to other EU countries in terms of the EU benchmarks in education and training. School drop-outs are a pervasive problem in all three countries and little improvement has been reported since 2000. As shown in table 3, progress by Southern European countries (SE countries, here, referring to Greece, Italy, and Spain) towards the EU benchmarks in education and training lays behind with respect to the EU average, while some advancement is noticed in terms of reading achievement and upper secondary attainment in Italy and Greece.

SE countries devote fewer resources to education compared to EU levels (table 4). Since the early 2000s, the EU average annual expenditure on education as percentage of GDP has remained almost the same at around 5.3 percent. In SE countries, the level of expenditure has also remained rather unchanged but always below the EU average, only in Greece would have increased annual expenditure from 3.6 percent in 2001 to 4.2 percent in 2006. Similar patterns can be noticed when looking at figures for per capita levels (table 5): Spain and Greece have increased annual expenditure per student since 2001, while in Italy it has diminished.

**Table 3 – Progress by Italy, Greece, and Spain towards the EU benchmarks for education and training**

	Early school leavers (ages 18-24)	Low-achievers in reading (15 years old)	Upper secondary attainment (ages 20-24)
Italy	-	++	++
Greece	-	+	++
Spain	-	-	-

Progress since 2000: ++ improving more than EU average; + improving, but less than EU average; - getting worse. Light green shade for Greece in Upper secondary attainment indicates its performance above EU average for that indicator; the rest of the indicators are below EU average for all the three countries.  
Source: European Commission (2008, p. 24)

**Table 4 - Annual expenditure on public and private educational institutions as percentage of GDP**

	2001	2002	2003	2004	2005	2006
EU27	5.3	5.4	5.5	5.4	5.4	5.3
EA15	5.3	5.3	5.4	5.3	5.2	5.1
Greece	3.6	3.7	3.7	3.9	4.2	
Spain	4.7	4.7	4.7	4.7	4.6	4.7
Italy	5	4.8	4.9	4.8	4.7	4.9

Source: Eurostat (extracted in July 2009)

**Table 5 - Annual expenditure on educational institutions per pupil/student compared to GDP per capita**

	2001	2002	2003	2004	2005	2006
EA15	25.3	25.3	25.4	25	25.1	24.9
EU27	24.6	24.9	25.1	24.7	25.3	25.3
<i>Greece</i>	18.9	19.2	19.8	20.4	21.5	
<i>Spain</i>	23.3	23.6	24.1	24.1	24.8	25
<i>Italy</i>	27.4	25	26.7	25.6	25.1	26.3

Source: Eurostat (extracted in July 2009)

This diverging performance of SE can be linked to the presence of certain macro-level features. Mainly, the central role of the family in welfare provision raises concerns about inequalities in education due to the impact of parental background in education. Also, attendance to early childhood education would have developed later, relative to other European experiences, given the later entry of female into the labour market. We can expect some particularities linked to the historical influence of the French Napoleonic model on these countries in terms of centralisation of curricula and teaching methods, albeit some of this may be changing in the light of EU-oriented reforms in education. Large regional disparities pose significant constraints in the implementation of policies aimed at increasing local autonomy in schools without dampening the levels of equality across schools and regions. All these aspects have an impact on the design and results of education policies to promote social cohesion in these countries.

A wide array of factors need to be considered in comparing the country experiences in terms of education policy and social cohesion. In particular, and bearing in mind the discussion in the previous section, we focus on three broad policy areas for the assessment of social cohesion policies in education in Southern European countries. First, policies concerning the design of the educational system focusing on existing education and training pathways, tracking system and school choice. Traditionally, education systems tend to sort students into different tracks, institutions and streams according to attainment. We expect, for instance, that the earlier the tracking system, the more detrimental might be in terms of social cohesion; and the more school choice, the more chances of social segmentation of schools, the more detrimental in terms of social cohesion. Second, policies that affect practices in and out of school which relate to the involvement of parents and local communities and also to practices as regards to teaching staff. And third, policy aspects related to resourcing. Financial constraints may prevent countries from increasing educational expenditure with the aim of addressing inequalities. The share of private education may also gain relevance, which raises concerns about equality of access for pupils from disadvantaged households. Within this area, there is also the possibility for increasing the targeting of existing education expenditure to individuals and regions with greatest needs (see also OECD, 2007b).

The adoption of the life-long learning approach in SE countries required increased attention to certain educational stages, mainly early childhood and adult education. In particular, expanding access to childhood education is highly linked to work-life balance policies and to promoting female labour market participation. It has also clear impacts in terms of addressing inequalities in education as from early states, because disadvantaged pupils are able to join the education system earlier and thus the probability of attaining higher educational levels increases. On the other hand, adult

training is particularly relevant in these three countries to deal with existing relatively low educational attainment among the working age population which is accompanied by low levels of participation in life-long learning activities. Addressing the low levels of LLL participation becomes relevant in terms of promoting greater educational equality. The more adults participate in education, the more chances their offspring attain higher educational levels. Also, due to the cumulative effect of education, participation in earlier educational programmes increases the chances of attending further education. Enrolment rates for youngest pupils and adult population in SE are still lower relative to EU levels (see table 6). It would be necessary to devote further resources to ensuring access to childcare and low participation of adults in learning activities.

**Table 6 - Enrolment rates, by age (2006)**

	Students aged:					
	4 and under as % of the population aged 3 - 4	5 - 14 as a % of the population aged 5 - 14	15 - 19 as % of the population aged 15 - 19	20 - 29 as % of the population aged 20 -29	30 - 39 as % of the population aged 30 - 39	40 and over as % of the population aged 40 and over
<i>Greece</i>	27.9	98.1	92.8	32.0	1.1	n
<i>Italy</i> <sup>1</sup>	104.9	100.7	81.5	20.2	3.4	0.1
<i>Spain</i> <sup>1</sup>	122.8	101.0	80.2	21.8	3.8	1.1
OECD average	69.4	98.5	81.5	25.1	5.7	1.4
EU19 average	76.7	99.0	84.9	25.1	5.1	1.0

<sup>1</sup> The rates "4 and under as a percentage of the population of 3-to-4-year-olds" are overestimated. A significant number of students are younger than 3 years old. The net rates between 3 and 5 are around 100%. Information about missing data: 'n' nil.  
Source: OECD, 2008.

In line with European-wide trends, access to education is recognised as a right within the legislative framework. Education is mostly publicly funded. However, the role of private education is gaining importance due to growing concerns about the quality of education.

Table 7 shows for the three Southern European countries under study how the levels of enrolment of students distribute by level of education and type of institution.

While Greece and Italy, most students enrol to public institutions, in Spain there is a larger presence of private institutions in all levels of education. In Spain, we recall the presence of government-dependent private schools (*conciertos educativos*) which is a type of institution not found in the other two countries. These semi-private schools receive public support from the Spanish government if they ensure free access to education during compulsory school years. They are though given full autonomy as regards to the management of the teaching staff and other aspects.

While the presence of public, private and semi-private institutions increases school choice to parents, it may bring concerns as to the equality of access to these schools by pupils from disadvantaged background. Inequality may mostly be expected at the secondary and higher levels of education, since at the primary level Spanish semi-private schools are requested to ensure free access.

**Table 7 - Students in primary and secondary education by type of institution (2006)**

	Type of institution														
	Primary			Lower secondary			Upper secondary			Tertiary-type B			Tertiary-type A		
	Public	Mixed	Private	Public	Mixed	Private	Public	Mixed	Private	Public	Mixed	Private	Public	Mixed	Private
Greece	92.9	a	7.1	94.7	a	5.3	94.1	a	5.9	100.0	a	a	100.0	a	a
Italy	93.2	a	6.8	96.4	a	3.6	94.5	0.8	4.7	88.6	a	11.4	92.8	a	7.2
Spain	68.5	28.2	3.4	68.1	28.9	3.0	78.3	11.1	10.6	79.1	15.6	5.3	87.7	n	12.3
OECD average	91.1	6.6	2.9	84.9	9.4	3.0	83.2	12.6	5.4	65.5	19.1	13.8	78.5	9.1	13.9
EU19 average	89.9	7.9	2.7	87.4	10.7	2.2	83.3	13.4	3.9	68.3	20.7	6.1	81.5	12.1	6.8

Distribution of students, by mode of enrolment and type of institution. Mixed: Government-dependent private. Tertiary-type B: occupational, technical education. Tertiary-type A: theory-based, advanced research programmes and training for high-skilled professions.  
Information about missing data: 'n' nil, 'a' not applicable to the education system in the country.  
*Source:* OECD, 2008.

Regarding the governance of the education and training system, these three countries present different administrative structures which also determine the way the education and training system is managed in each of them. Like in most European countries, the bulk of the responsibility over education is under the responsibility of the Education Ministry and the main share of financing comes from the State budget. There are tough some differences across SE countries in the levels of decentralisation: while the Greek system is more centralised, the Italian and Spanish education models are more decentralised, since the regions and municipalities are also given power over the management of education (UNESCO-IBE, 2008). We could expect that more decentralised systems reinforce the connection of education policies to the demands of local communities. On the other hand, these systems may face more challenges as to coordination at the national level to prevent regional disparities and financial constraints. Among other things, financial pressures at the regional and local levels may have incited the private sector to engage in financing education (Wolf and Zohlnofer, 2009, p. 233). Besides, if decentralisation is also linked to more school choice by parents (as in Italy and Spain), then there are also more chances that disparities across schools increase and educational inequality rises.

Administrative decentralisation is also linked to financing and management of resources by the various levels of government. Table 8 presents the degree of centralisation of educational funding in these three SE countries by comparing initial and final sources of public funding on education. According to the Eurostat adopted terminology, initial funds correspond to the share of total education spending made available by a level of government. On the other hand, final funds refer to the share of total education expenses spent directly by a level of government. Both types of funds include direct public expenditure and transfers to the private sector.

In line with the EU average, in the three SE countries, there is a net flow of resources from central government to regional and local levels. Some differences can although be observed as to the characteristics of these flows. For instance, the contribution of the central government goes from roughly 12 percent in Spain to around 90 percent in Greece and 80 percent in Italy. The share of regional government funding is significantly larger in Spain compared to the other two countries. In Spain as well we

notice that there is also almost no difference after transfers as to the funds assigned to the regional and local levels of government. The share of funds corresponding to local governments is larger in Italy, where we also observe a transfer of resources from regional governments to other levels (most likely transferred to municipalities, which are generally net recipients).

**Table 8 - Initial and final sources of public funding on education by level of government (2006)**

	Initial funds <sup>1</sup>			Final funds <sup>2</sup>		
	central	regional	local	central	regional	local
EU27	49	:	25.5	45.7	:	28.4
EA15	53.4	:	12.1	50.2	:	14.9
Greece	92.3*	5.6*	2*	89.3*	8.7*	2*
Spain	12.6	82.3	5.1	11.9	83	5.1
Italy	81.6	6.8	11.5	81.4	6.1	12.6

\* 2005  
<sup>1</sup> Initial funds provided by the different levels of government as % of initial funds provided by all levels of government combined  
<sup>2</sup> Final funds provided by the different levels of government as % of initial funds provided by all levels of government combined  
Source: Eurostat (extracted in July 2009)

Together with the growing presence of private education institutions seen above, in SE countries, there has been a growing presence of private funds for educational institutions, but public resources support still the main share of educational expenditure (see table 9). In 2006, for the EU27, Eurostat estimates that 87.5 percent of education expenditure were provided by public sources of funds, compared to 12.5 percent from private sources. The lion's share of private contributions to education concentrates in higher level education. In practice, countries show however very different levels of both public and private expenditure for education. For instance, the Greek and Italian educational systems are almost totally publicly funded (94 percent in 2005, and 92.3 percent in 2006, respectively), while in Spain the distribution between public and private sources is more similar to the EU average.

**Table 9 - Expenditure of public and private sources of funds of educational institutions**

	2002		2006	
	Public	Private	Public	Private
EU27	88.9	11.1	87.5	12.5
EA15	89.1	10.9	89.4	10.6
Greece	95.4	4.6	94*	6*
Spain	88.4	11.6	88.9	11.1
Italy	92.6	7.4	92.3	7.7

% of expenditure of public and private sources of funds on educational institutions, for all levels of education combined. \*2005  
Source: Eurostat (extracted in July 2009)

In terms of school autonomy, and school choice, in SE, there is a trend towards greater school autonomy in terms of management of financial and human resources, as well as in terms of methods of teaching and learning, similar to that observed in other European realities (Eurydice, 2009a, pp. 77-78). A change towards more autonomy is relevant especially because SE educational systems have been traditionally characterised by centralised control and curricula encyclopaedism. However, cross-

country differences are noticeable since Greece still gives little autonomy compared to Italy, while Spain would position somewhere in between the two. In terms of social cohesion, increased autonomy may hence be positive thanks to greater linkages between schools and local communities, especially when parents are actively involved. But it may bring risk of increased disparities across schools, especially where there is greater school choice by parents, like in Spain and Italy but not in Greece. Other elements, including the teachers' capacity to involve parents and local actors together with persisting regional inequalities, need to be taken into consideration before concluding about the positive impact of increased school autonomy on social cohesion.

In terms of social cohesion, access to education of disadvantaged categories is a priority area. Considering the specific case of SE countries, we concentrate on two issues: targeted financial assistance and pupils with immigrant background.

As mentioned earlier on, targeted support to disadvantaged students would be a favourable policy intervention in order to address educational inequality and promote greater social cohesion. In general, financial aid to students is delivered in two forms. The first one are transfers and social benefits to students and their families. Scholarships and other grants would fall under this category, as well as other social benefits contingent to student status, such as child allowances and transfers for the coverage of expenses on transport, books and supplies. The second consists of loans given to students. The importance of financial aid to students and their families is in almost every country more important for tertiary education than for the other levels.

As in most EU countries, financial aid to students in SE tends to concentrate in tertiary education (table 11). Given that tertiary education is considered a public good, access to it should not be restricted due to economic constraints. We note though that the share of resources devoted to financial aid is below the EU levels, especially in Spain and Greece. Italy would be providing further resources and we note that the share devoted to higher education has lowered over time while that for lower levels of education has increased. Given that students from disadvantaged backgrounds tend to choose shorter, cheaper, less risky educational alternatives, targeted funding coupled with investment in other items (e.g., teaching staff or infrastructure in order to increase quality and relevance of the courses) may be more efficient to increase participation rates of disadvantaged students (Souto-McCoshan, 2005). Likewise, it would also be important to increase financial aid to disadvantaged students at earlier educational stages. This is particularly relevant for SE countries, where the levels of early school leaving at the secondary level are high and this is detrimental to access to higher education programmes, and to participate in adult education (see also Fuentes, 2009).

**Table 10 - Financial aid to students as % of total public expenditure on education, by education level**

	2000			2002			2006		
	All levels	1ary & 2ary	3ary	All levels	1ary & 2ary	3ary	All levels	1ary & 2ary	3ary
EA15	5	2.8	13.5	5.2	3.1	13.4	5.6	3.2	15
EU27	5.2	2.9	14.5	5.6	3	15.6	6	3.2	16.6
Greece	1.5	0.2	5.8	2	0.3	5.5	0.6	0.2	1.4
Italy	4.1	0.7	18.3	4.3	1.4	15.8	4.3	1.7	16.6
Spain	2.6	1	8.5	2.7	1.1	7.9	3	1.8	7.9

As mentioned earlier on, the immigrant population encounters a series of specific issues linked to school choice, better informed parents move to better performing schools, while foreigners (less informed) concentrate in lower performing ones. Besides, there may be also lower levels of educational attainment among immigrant children due to lower educational levels of parents. All three SE have witnessed a sharp increase of immigrant population which poses particular issues to educational systems in terms of integration of foreigners and their children. In fact, the growing presence of children of immigrant origin has requested the adjustment of some educational measures. Mainly, there have been some patterns that have contributed to their integration in the system. SE countries mainly have opted for mixing migrant children while providing separate/additional language courses. For example, more decentralised systems may facilitate adaptation at the local level to changes in the composition of the classrooms. Concerns arise though about growing disparities across regions and between schools in the same region, linked as well to the concentration of students in certain neighbourhoods (Duru -Bellat, 2009).

For example, in Spain, about 9 percent of pupils in early childhood and 8 percent in primary education have immigrant background, and they enrol mainly public schools (Fuentes, 2009). Given the decentralised nature of the national educational system, many regions have been responsible for managing the integration of migrant children to the education. The central government has put funds at disposal for funding programmes to integrate immigrant children. In fact, special programmes for newly arrived immigrant children have been introduced in many regions. For a limited amount of time (e.g., six months), the children follow a separate programme which helps them to catch up to the standards of native pupils. The evidence about these programmes in terms of educational outcomes of migrants is mixed, since in any case their educational performance is weaker than that of natives. Language does not seem to play a significant role, as many of them are Spanish native speakers and their PISA scores tend to be lower than those of natives and are less likely to attend higher education. Evaluation tools should be created at the central level in order to better assess the performance of these programmes and link the results to the disbursement of funds (Fuentes, 2009).

Summarizing:

- In all three SE countries, there is universal basic education and now priority has moved to addressing education inequality to promote greater social cohesion
- SE lay behind to EU benchmarks, especially as regards to low educational attainment and LLL
- Specific challenges linked to their national education and training systems:
  - Modernisation : LLL, early childhood
  - Equality in access and attainment, also linked to growing immigration
  - Regional disparities, especially when highly decentralised education systems

In conclusion, in all three countries, there is room for improvement in terms of education policies to promote social cohesion. Southern European countries have now fairly similar policy agendas which are very much influenced to the EU guidelines for education and training. Some relevant particularities emerge, such as a rather centralised system in Greece, the presence of semi-private schools in Spain or greater school autonomy in Italy. These country-specific features should be accounted for when assessing progress towards EU benchmarks and when drawing possible policy interventions with a social cohesion perspective. at the secondary level. Apart from

increasing resources to expand childcare and early childhood education, Intensive interventions seem to be required in all three to prevent early failure and tackle low completion rates. Hence, vocational training should be reformed to increase its attractiveness for working-age cohorts and making it more relevant to labour market needs (Fuentes, 2009). Like in other European countries, despite overall expansion of all educational systems, in most countries there was little change in socio-economic inequality of educational opportunity. The social origin still determines to a large extent the educational attainment in SE countries. This demands for increasing targeted measures to address inequalities in education access and attainment.

## **2.7. Approaches and reality in South Mediterranean countries<sup>24</sup>**

### **2.7.1. Determinants of Social Deficits**

The adoption of the Millennium Development Goals (MDG) in 2000 has generated major changes in social cohesion policies in both developed and developing countries.

In developing economies, poverty and exclusion are both rural and urban with major interconnections that are driven by rural migration and inappropriate inclusion in urban areas. The social policies that were pursued before in these economies were found to be limited and inefficient complements to pursued economic policies. But, with the publication of the first World Development Report (UNDP, 1990) and following the consequences of structural adjustment policies, developing economies have been invited to pursue further social policies and to engage in human development programs. The pursuit of MDGs has been an opportunity for developing countries to reduce their social deficits through the promotion of targeted social policies that are integrated into the economic policies pursued with major focus on the monitoring of the overall economic outcomes. In this process and in the context of South Mediterranean countries, a large set of questions can be formulated in relation to the extent of implementation of these targeted policies with their monitoring and adjustments processes. The extent of further inclusion of the poorest and marginalized segments is also an important dimension that accompanies the economic reforms that have been taking place in these economies.

These different dimensions are analyzed hereafter under the following headings:

- A. Rural Migration as Determinants of poverty and exclusion
- B. Further Determinants of poverty and exclusion
- C. Global Outcomes under the on-going social policies,
- D. Interdependencies of deficits and Need of Social cohesion Policies

The determinants of poverty in the South Mediterranean region appear to be different from those that are behind the poverty in the EU economies. The share of rural population in most of these countries (except some Gulf countries) is relatively higher than that in Europe and the overall population growth is also relatively high. Furthermore, the level of industrialization is still low in the South Mediterranean economies. This implies that job creation is far below the labor supply implying that

---

<sup>24</sup> This section draws on Driouchi (2009).

the youngest segments both educated and non-educated people have less economic opportunities in most of the South Mediterranean economies. These factors are respectively reviewed before tackling the occurrence of human and social deficits.

While poverty in developed economies has mainly an urban origin as related to the degradation of the living and earning conditions of many segments of the population, most developing economies are mainly concerned with the rural dimension of poverty besides its urban expressions. In developing countries, poverty appears to have both rural and urban dimensions. Given the weight of rural population in the above economies and the state of urbanization and the low development of manufacturing industries, the rural origin of poverty appears to be dominating.

Macroeconomic policies have been and are still biased against rural areas. Prior contributions have shown the extent of the effects of macroeconomic policies on the agricultural and rural sectors. Even with the liberalization and openness of these economies, the implicit discrimination against agriculture has not been fully eliminated. Market imperfections through depressed price and incomes are also among the factors that generate rural poverty. Furthermore, unfavourable weather conditions are also among the major elements that have to be added to explain the high level of rural poverty (M. Ravailon, 2006). Besides the economic impacts that generate the economic side of rural poverty, the education and health systems in rural areas are also major determinants of multidimensional rural poverty (Mude & al, 2003; Ulubaşoğlu et Cardak, 2006). The lack of infrastructure and the quality of education (Loury, 1981) contribute to the limitation of education in rural areas. Rural migration decisions are also motivated by the need to better educate children in rural areas (Mude & al, 2003). Several case studies have shown these effects elsewhere, as in Mexico (McKenzie & Rapoport, 2006).

Poverty is then exacerbated because rural poverty leads to urban poverty with urban conditions of living generating and accelerating urban poverty in a developing context. This transfer is ensured by rural migration that promotes urban poverty with the creation of informalities as supported by different versions of Harris-Todaro model. The context of South Mediterranean is highly concerned with the role of rural migration and its urban implications.

Based on these results, it can be easily stated that rural migration is related to degraded urban conditions (in terms of jobs and living conditions), leading to further poverty. This type of poverty is multidimensional as it includes employment, income, education, and health.

**Table 11: Rural migration (2003 and 2004)**

<b>COUNTRY</b>	<b>Rural migration rate in %</b>	<b>Year</b>
Algeria	0.70	2004
Bahrain	0.38	2004
Jordan	0.38	2004
Kuwait	0.02	2004
Lebanon	0.12	2004
Libya	0.34	2003
Morocco	0.72	2004
Turkey	0.52	2004

Source: World Bank electronic databases

The previous table provides evidence about the persistence of rural migration as estimated for the some countries in the region (World Bank, databases). Countries like

Kuwait, where the urbanization is at its maximum, show lower values. Morocco and Algeria show higher rural migration rates given the importance of the rural areas in these economies. They are followed by Jordan and Bahrain.

The above rates of rural migration as annual percentage of the total population impose high pressure on cities in these economies. The high pressure of migrants and the low capability of inclusion of cities, imply that significant levels of poverty are also observed in urban areas. While poverty is mainly urban in developed economies, it is both rural and urban in developing countries and in south Mediterranean economies. These trends are largely observed in the Arab countries. Different reports including those related to human development studies focusing on the Arab World have identified various series of social and human development deficits that are introduced in the following section.

### 2.7.2. Further Determinants of Poverty in the Arab World

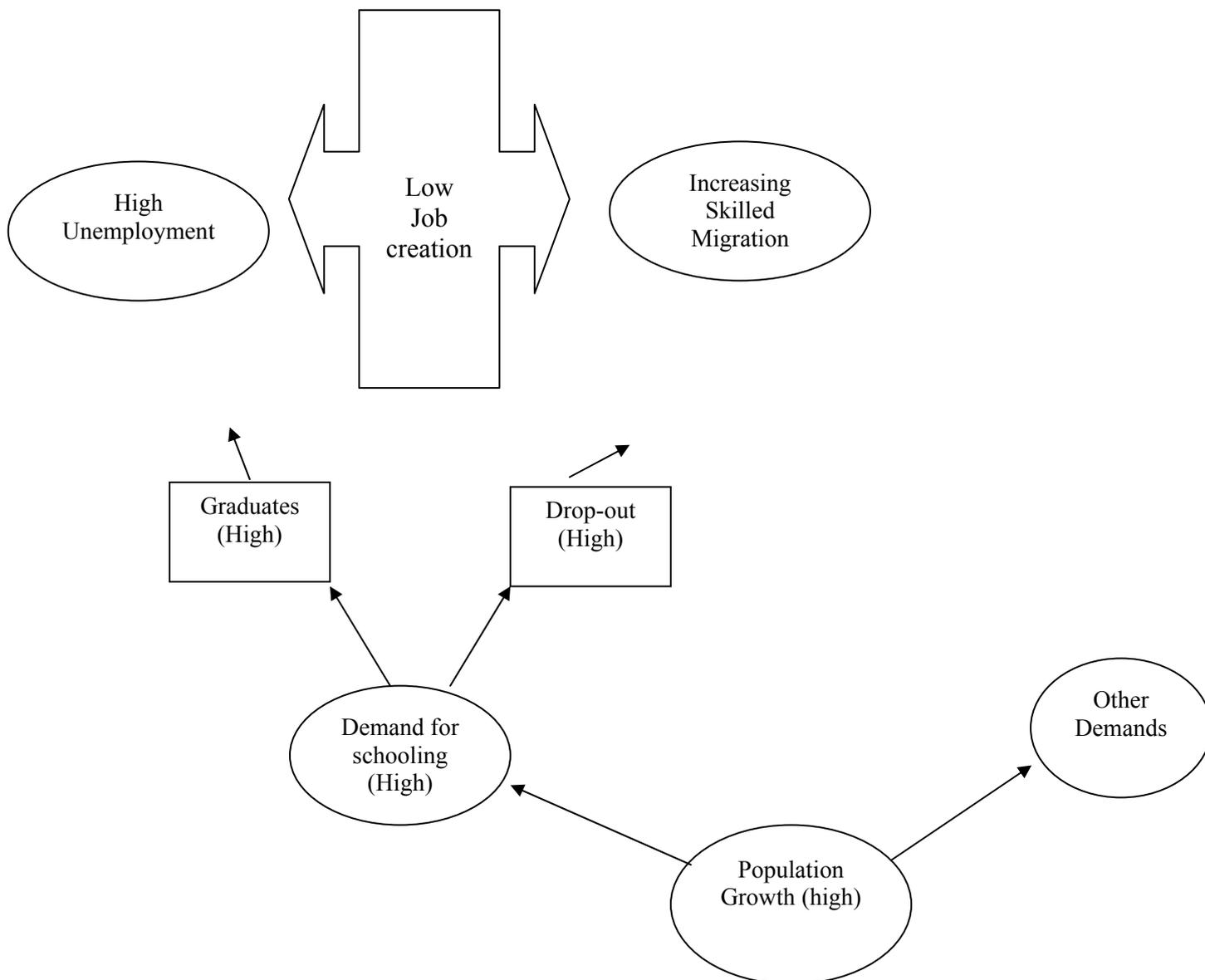
There are various important and related determinants of poverty and exclusion in the region. As rural migration converges to the urban areas, the demographic factors through the high level of fertility have series of consequences on these economies. The following figure shows how the demographic conditions that emphasize the situation of gender lead to higher fertility and to higher demand for schooling imposing thus both high levels of both skilled and unskilled labor that is introduced on the job markets annually.

Either the labor flow or stocks are too high that they cannot be absorbed given the investment regimes and the rates of industrialization of the Arab economies. Some reports and publications talk about the “youth quick” in relation to the large number of young people concerned.

The excess labor supply with increasing local unemployment leads to further emigration of both skilled and unskilled labor. The emigration of skilled labor lowers the chances of investments and of new local opportunities that reinforce the emigration. This entertains and expands the vicious circle of poverty in the region.

Unemployment and lack of income can be an important source of poverty. According to the above framework, it is the consequence of the economic situation that is prevailing on the job markets. The limited levels of investments and the relative low level of economic performance due to reduced development of manufacturing and service industries lead to a demand for jobs that is largely below the labor supply. The labor supply is determined by various factors that account directly for the annual rates of graduation from schools and the demographic pressure placed on the economy.

**Figure 1: Relationships between social and economic variables in the region**



The highest unemployment rate was observed in Algeria (30%) in 2001, followed by Morocco (24%) then Tunisia (16%). Both Syria and Yemen attained 12%. The lowest rate (less than 10%) was registered in Oman, Egypt, Lebanon Saudi Arabia, Kuwait and UAE. These rates have been increasing over the period 2001-2009 as they have attained in 2005: 12.90 % in Algeria, 8.70 % in Egypt, 13 % in Jordan (2009), 20 % in Mauritania (2004), 10 % in Morocco (2009), 15% in Saudi Arabia, 19 % in Sudan (2002) and 9 % in Syria (2008). All available studies recognize the high rate of unemployment to be between 10 and 20 % with highest rates applying to new entrants and to the youngest segments of the population (ILO, 2005, 2006). In 2000, the first-time job seekers represented 95% of total unemployed for Egypt. In Yemen this rate attained 65%, it was 52% in Morocco and finally less than 30% in Jordan.

Educated workers are increasingly concerned with these high unemployment rates with women more affected than men even if their share in the labor markets has been increasing. Within these same countries, unemployed persons with higher education attained 32% in Jordan, 16% in Algeria, 12% in Egypt and 8% in Morocco. As for

unemployed persons with secondary education, the highest rate obtained was in Egypt with 68% and the lowest rate was in Jordan with 15%. This rate was 33% for Tunisia, 22% for Morocco and 20% for Algeria.

Women Unemployment rate attained a maximum of 30% in Algeria and a minimum of 8% in Yemen. This rate was 28% in Morocco, 21% in Jordan and 15% in Tunisia.

The labor force growth in Arab Countries increased over the years. It was at 3% during the period 1970-1980, 3.2% during the period 1980-1990 and attained 4% during the period 1990-2000. During the last decade 2000-2010, this rate decreased to attain 3.7%.

During the period 1970-1990, the highest rate was 3.3%, observed in both Morocco and Tunisia. The lowest rate was 2.3% (in Egypt). This situation changed during the period 1990-2000: Morocco and Tunisia registered the lowest rates with simultaneously 2.6% and 2.7%, when Jordan attained the highest rate of 5.2%.

As in Wahba and El-Hamidi (2009) many factors are contributing to the explanation of such high unemployment rates in the Arab Countries.

An important study about "Why Unemployment Rate is Higher than in MENA and Transition Countries" (Kangni, 2007) has looked at factors that explain the high unemployment rate in Algeria during the period 1995-2005. The results suggested that slower labor productivity growth increased the differential relative to the sample average. In contrast, positive terms of trade shocks resulting from rising oil prices led to a decrease in the gap. Neither labor market regulation nor the tax wedge seemed to be more harmful to Algeria than to other countries. The author has suggested some actions that could be considered to improve employment in Algeria. For instance, he proposed that the Algerian government pursues growth-enhancing policies that will create conditions for enough long-term employment to attract the growing work force and reduce unemployment. Also, he suggested setting structural reforms to increase productivity and promoting financial development, trade liberalization, private investment, and human capital accumulation. Other suggestions include that private sector and investment should be the main engine of job creation.

Other interesting papers have tried to assess the links between human capital and growth in the MENA region. The empirical results attained show the low levels of returns to education, the low level of human capital valuation in the context of large unemployment in the region.

Different macroeconomic indicators show the current on-going trend in the Arab countries. It can be expected that this situation can be worsened in relation to the current economic and financial crisis. The migration of skilled labor is expected to continue and can thus affect the prospects of future growth and development in these countries.

### 2.7.3. Extent of Social Deficits

At the start of the third millennium, most Arab countries decided to take the lead and confront the different challenges they are facing. Many reforms and initiatives have

been undertaken. Nevertheless, true economic and social development cannot be reached without building human development.

Health, education, employment, and poverty are the major deficits the region suffers from. Although the last half of the century witnessed an important progress in terms of human development, there is still much to do to reach the international benchmark (AHDR, 2002).

#### **- Deficits in Healthcare:**

Based on The World Health Report 2000, assessments of national health systems are made based on two determinants of performance: goodness and fairness. Goodness or responsiveness is the extent to which any health system responds to people's expectations. Fairness is the extent to which the system responds to the needs of all citizens equally, with no discrimination. A study evaluating national health systems of 191 countries indicated that Kuwait, Qatar and the United Arab Emirates scored the best among Arab countries in terms of goodness of their system (ranking between 26 and 30) while Djibouti, Libya and United Arab Emirates scored the best in terms of fairness (ranking between 3 and 22). Mauritania, Sudan, and Syria fare the worst among Arab states in terms of fairness in financial contributions. Indeed, the performance of health care systems, in terms of fairness, depends heavily on geographical locations of the patients (AHDR, 2002).

Health care is not evenly distributed between Arab countries and even within countries. There are remarkable disparities in health care access within countries depending on citizens' location. The rural population is less likely to access health care than its urban counterpart. The lack of resources and the lack of transportation (geographical isolation) impede health care development in rural areas. Illiteracy and culture is another problem that prevents rural citizens from accessing health care facilities. Many rural citizens still opt for traditional treatments to cure their diseases. The only country which does not face disparities in health care access between its urban and rural areas is Syria (AHDR, 2002).

Measurement of overall health is usually based on life expectancy and longevity. Life expectancy at birth differs from a country to another depending mainly on income level of the country. Djibouti has a life expectancy at birth of only 52.7 years while United Arab Emirates have higher life expectancy reaching 77.9 years (HDR, 2005). Since the independence of Morocco, life expectancy indicator has jumped from 47 years of age in beginning 1960s to 71 years of age today (72.5 years for females and 68.5 years for males) (RHD50, 2006). On average, the indicator of life expectancy at birth in Arab countries has significantly increased from 52.1 years in 1970s to 66.5 years in the first five years of the new century. This average is slightly higher than the average indicator for developing countries (64.9 years) and lower than the one of middle income countries (70.1 years) (HDR, 2005)<sup>25</sup>.

Arab women live at least as much as Arab men do. "The difference between the two sexes is 2.5 years or less in around two thirds of the countries; for the remainder, the difference is between 3 and 3.5 years." This suggests that women health should be improved because the global average difference is around 4 years and in some

---

<sup>25</sup> Statistics for the period between 2000 and 2005, from Human Development Report 2005

developed countries it can reach 11 years. The low difference in life expectancy between genders in the region can be explained by the high maternal mortality rates (AHDR, 2002).

Studies have found that disease and disability reduce life expectancy by 5 to 11 years. Life expectancy is reduced by 9 years due to disability in almost one third of Arab countries. In fact, countries with high survival rates do not always have low disability rates. Kuwait, Qatar, and Oman are examples of countries with low mortality rates that lose more than 9 years in disability. Years of life lost to disease in these countries are higher than the average international standard, for comparable countries, which is 6 to 7 years. Internationally, 20% of adults suffer from a longstanding illness or disability (AHDR, 2002).

Arab women are even more likely to have disabilities at birth and lose more years to disease than men. "The proportion of females reporting long-standing illness exceeds that of males by more than 6 per cent and can be up to 8.5 per cent higher." For women, the number of years lost to disease is not necessarily related to income-level but to differences in lifestyle and gender discrimination (AHDR, 2002).

In Morocco, the health system has known a considerable improvement since the independence. The state worked on improving primary health care, training medical and paramedical personnel, and facilitating citizens' access to health services. The current number of health care establishments exceeds 2460 compared to 394 in 1960. The country hosts 120 hospitals with a resident-to-bed ratio of 1 bed for 1000 residents. The doctor-to-resident ratio increased from 1 doctor for 12,120 residents in 1967 to 1 doctor for 1900 residents in 2004 (RDH50, 2006).

In Egypt, Bahrain, Jordan, and Tunisia, a study shows a considerable degree of ill health among the old age population. More than 50% of the elderly suffer from sight problems and have difficulty walking. Almost 30% of these people perceive their health conditions to be very poor. Most elderly experience morale problems and high depression (AHDR, 2002).

According to the WHO definition of health, it is "a state of complete physical, mental, and social well-being". Besides physical health problems, Arab population suffers from mental and psychological issues that negatively affect their well being. In Arab countries, individuals' relationship with the state and the society is shaped by exclusion, lack of esteem, and marginalization. These conditions lead to permanent psychological pressure among citizens which causes physical and psychological illnesses. Examples of problems that psychological pressure can bring are hormonal imbalance, immune system failure, and nervous breakdowns (AHDR, 2004).

Although health conditions vary widely from a country to another, there are some areas where improvement is definitely needed. The major challenges in the health sector are preventive care, primary care, infant, child, and maternal mortality.

Preventive care and primary care are not given enough attention by most Arab countries. Arab health systems tend to emphasize on curative care and hospitalization (generally in the secondary and tertiary levels). Budget allocations and health sector expenditures show that focusing on curative care, rather than preventive care, increases costs and fail to lower diseases recurrence. To increase their level of health

and well-being, Arab countries need to focus more on investing in and introducing preventive care programs (AHDR, 2002).

Cultural and behavioral change is also important in preventing many diseases and reaching better health. Examples of cultural behaviors that cause health problems in the region are marriage between close relatives, early marriage, and female circumcision. Other behaviors that can be avoided to reduce health problems are tobacco/alcohol/drug use and respecting road and traffic signs to avoid road accidents. Studies have shown that tobacco use is quite high in the region and there is an increasing trend of women smoking. In 1998, around 182,000 people died from tobacco use. Alcohol and drug use is also spreading at a high pace among the young (AHDR, 2002).

As also reported in the FEM 32-01 report (2008), infant mortality rate (IMR) and under-five mortality in Arab countries range from 1.02% to 7.53% and 2% to 10%, respectively (AHDR, 2002). The Global Human Development Report 2002 states that Arab countries have made a rapid improvement in reducing infant and under-five mortality. They reduced under-five mortality from 20% in 1970 to 6% in 2002. The lowest rate of infant mortality was recorded in Qatar while the highest rate is in Yemen. The lowest rate of under-five age mortality is the one of Bahrain, Kuwait, Qatar, and United Arab Emirates while the highest rate was shown in Mauritania, Djibouti, Somalia, Sudan, Yemen, and Iraq (after the Gulf War). Oil-rich countries, in general, experience lower rates of mortality because they improved their health system to increase life expectancy and decrease child mortality.

Nevertheless, there are other middle-income Arab countries that have known a rapid progress too. Tunisia was one of the 10 countries that made the fastest improvement in raising life expectancy and Yemen did a remarkable progress in decreasing under-five mortality (AHDR, 2002). Morocco succeeded in decreasing infant mortality from 14.9% (17% in rural areas and 10% in urban areas) in 1962 to 4.79% (5.67% in rural areas and 3.86% in urban areas) in 2004 through children vaccination campaign (RDH50, 2006). The Global Human Development Report 2003 has recognized that "Egypt achieved the largest reduction in under-five mortality rates, from around 10% to 4%" and that other countries are lagging on this health component.

Arab women suffer high rates of mortality and morbidity related to their reproductive health. In most Arab countries, more than 80% of women are attended by trained personnel when giving birth. However, many Arab women in less developed countries like Somalia, Yemen, and Mauritania still deliver their newborns without the assistance of any trained personnel. For instance, in Yemen the percentage of women that are medically assisted during their child delivery does not exceed 25% (AHDR, 2005). On average, Arab states have a lower percentage of birth attended by skilled health personnel (70%) than comparable middle-income countries (88%) but higher than the average percentage of developing countries (59%)<sup>26</sup> (HDR, 2005).

Another health issue that is related to women is female genital mutilation. This widely accepted cultural practice can lead to serious health complications. In the most severe cases, the procedure can cause death from bleeding or at least a severe pain leading to

---

<sup>26</sup> Statistics reflects the period between 1995 and 2003, from Human Development Report 2005.

nervous breakdowns. Other damages caused by female circumcision are disturbance of the urinary system, sterility, inflammation, fatal tetanus, hepatitis, and AIDS. In the least damaging cases, the procedure causes negative psychological effects such as sexual inferiority.

Besides diseases that have existed in the Arab world for long time, there are new kinds of diseases that are increasingly spreading in the recent decades. For instance, Morocco faces both “poor country diseases” and “rich country diseases” (RDH50, 2006).

The spread of urban lifestyle among Arab countries has helped them reduce the rate of viral, bacterial, and parasitical diseases but caused an increase in chronic diseases such as cancer, diabetes, hypertension, and heart disease. Obesity is another issue that started perturbing the health of Arabs. Arab countries have greater number of women suffering weight issues than men while comparable countries face exactly the opposite (AHDR, 2005).

Another health problem that is starting to threaten the Arab world is AIDS. Albeit Arab countries have reported relatively lower levels of HIV/AIDS, the virus is spreading among the population at high pace. On average, Arab states have only 0.3% of the population carrying HIV while developing countries have an average of 1.3% and middle income countries have an average of 0.8%<sup>27</sup> (HDR, 2005).

According to (AHDR 2005), women represent 50% of people carrying HIV in the region and research has shown an increasing trend of females catching the virus. Indeed, the probability of contracting the disease among females – between 15 and 24 years- is twice the probability of their counterparts. Some of the reasons behind this trend are the poor health care provided to women, the low level of empowerment of women, some cultural practices like female circumcision, illiteracy, the lack of awareness about the disease and the methods of protection, and the prevailing culture of silence surrounding sexuality.

The budget for health services was cut by more than 90% while it was more than USD500 million in 1989. Malnutrition became a public health problem after the embargo. From 1991 to 1996, the percentage of children under five with chronic malnutrition increased from 18% to 31%, the percentage of children with underweight malnutrition moved from 9% to 26%, and the percentage of children with acute malnutrition has reached 11% (AHDR, 2002).

During the last 50 years, Morocco suffered and still suffers from three major deficits in health sector. First, health services’ coverage is still insufficient. The capacity of hospitals is small and the percentage of the population covered by insurance does not exceed 16%. Second, inequality in health care access exists between urban and rural citizens. Urban population enjoys, on average, 6 more years of life than rural population. Infant mortality rate (IMR) in rural areas is twice that of urban ones. The IMR in some regions is close to the rate recorded in the beginning of 1970s. Third, the country has high rates of child and maternal mortality. During the period 2003-2004, 47 under-five children in 1000 child births died compared to an average of 9 in Spain. In other terms, Morocco’ rate of under-five mortality is 5.2 times more than Spain’s.

---

<sup>27</sup> Statistics for the year 2003, from the Human Development Report 2005.

Maternal mortality rate is 227 per 100,000 births compared to 20 in developed countries (RDH50, 2006).

Health achievements are not perfectly correlated with level of income. There are social, cultural, and other factors that shape the effectiveness of health care systems. Gender discrimination, education level, poor management, political stability, and the priority given to health investments are all key determinants of the development of health care systems in Arab countries. For instance, the level of health expenditure to GDP shows that Arab countries lag far behind comparable middle-income countries. Most Arab states spend between 3% and 4.5% of GDP on health while comparable countries spend 5.7% on average (AHDR, 2002). On average, Arab states spend 86USD per capita which is lower than the average expenditure of middle income countries (95USD per capita) (HDR, 2005)<sup>28</sup>. Furthermore, there is a remarkable disparity in the distribution of medical personnel between urban and rural areas and rich and poor regions. Many countries in the region started undertaking some reforms in the health sector that focus mainly on two objectives: containing costs and increasing efficiency (AHDR, 2002).

#### **- Deficits in Education**

Education spending can also be considered as an indicator for the level and situation of education in Arab countries. Beginning 1985, Arab states reduced their investment in the education sector. Although expenditure in the education sector rose from USD18 billion in 1980 to USD28 billion in 1995, the rate of increase after 1985 was much slower than that of the period 1980-1985. This pattern was the opposite of the international pattern of education spending. Education expenditure as a percentage of GNP is an indicator in which Arab countries scored higher than developing and developed countries in the period 1980-1985 (AHDR, 2002).

A better and more effective educational indicator is per capita expenditure in education. Here again, there was an important rise in this indicator between 1980 and 1985 while there was a decline after 1985. This diminishing marginal rate of education spending was due to the macroeconomic difficulties that faced the region in this period along with the structural adjustment programs adopted by MENA countries which restrain government spending (AHDR, 2002). According to the Global Human Development Report 2001, in 1997, Middle Eastern countries had an average public education spending per pupil of USD 584 and a percentage of 22% of GNP per capita compared to an average of USD 194 and a percentage of 16% in developing countries. The Middle East comes second in the ranking of regions' average public education spending. The region was surpassed by advanced countries in terms of spending per pupil in public education (USD 5,360) but it scored slightly higher in terms of education spending as percentage of GNP than these countries (21%).

Education systems in Arab countries are usually separated into two "unrelated parts: very expensive private education, enjoyed by the better-off minority, and poor quality government education for the majority. Unfortunately, private tuition has become indispensable in order to obtain high grades on public qualifying examinations for enrolment in higher education." As a result, some disciplines that are expected to result in a better career have become "the preserve of financially privileged groups".

---

<sup>28</sup> Statistics for the year 2002, from the Human Development Report 2005

Thereby, education is no more the means for social advancement; rather it became “a means of perpetuating social stratification and poverty.” (AHDR, 2002)

Albeit Arab countries have witnessed some quantitative improvements in education, they faced a reverse trend in the quality of education. Education systems in Arab countries face a very serious problem of declining quality. This decline has been indicated by the high failure and repetition rates. The real output of education has also declined as levels of knowledge achievement have decreased and analytical and innovative capacity has deteriorated (AHDR, 2002).

According to RDH50, during the 1980s, the Moroccan education system witnessed a serious and long crisis marked by “academic failures, the relapse of the dropouts into illiteracy and functional illiteracy, a decrease in civic behaviour and critical thinking skills, unemployment of college graduates, lack of basic skills...” In an attempt to improve the education system in Morocco, many shifts and reforms were undertaken. These reforms were ineffective and might have contributed to “producing graduates ill-prepared for the changes and demands of the modern economy and society. The system ended up producing schools of varying levels whose individual performance keeps decreasing the farther they are away from large urban areas.”

The incompatibility of education system and local job market in Arab states has led to decreased productivity, increased unemployment, and distorted wage structure. Hence, education is not enhancing social advancement in the region rather it is impeding any kind of human development (AHDR, 2002). The AHDR (2003) has identified some factors that reduced educational quality such as the weak education policies, the poor working conditions for instructors, and the inadequate educational methodologies (AHDR, 2003).

Early education is the most important level of education in a person's life because this is the stage of life where the child's brain is the most flexible and the most sensitive to its surroundings. Unfortunately, “in some Arab countries, the quality of education provided in many kindergartens in the region does not fulfill the requirements for advancing and developing children's capabilities in order to help socialize a creative and innovative generation.” Most pre-school systems teach children reading and writing but give little attention to their integrated growth. Kindergartens lack the facilities and the free space needed for enhancing children's self-confidence by playing, expressing themselves, making choices, and making decisions. Other factors that unfavorably affect pre-school systems in Arab countries are teachers' capabilities, poor curricula, overcrowded classes, and the indifferent quality of teacher training. For instance, many Arab teachers lack motivation because of the low salaries and the other jobs they need to take to ensure certain standard of living (AHDR, 2003).

Based on the finding of UNESCO report of 2005, “the Arab child on average is provided with 0.4 years of pre-schooling compared to 1.6 years in Latin America and the Caribbean, 1.8 years in Central and Eastern Europe and 2.2 years in North America and Western Europe.” Arab countries have an enrolment rate at the pre-schooling level lower than 20%. Saudi Arabia, Oman, Djibouti, Algeria, and Yemen have the lowest pre-schooling enrolment rates of only 5% while UAE, Kuwait, and Lebanon have the highest rates reaching 70%. Most countries rely on private institutions and women organizations to provide this level of education with “a belief that the support of small

children is considered basically a women's issue and not a public priority." (AHDR, 2005)

With an enrolment rate fluctuating between 95% in Syria and 50% in Djibouti, primary education is another aspect of education where great disparities exist among Arab countries as well as genders. Gender inequality has been reduced at this level of education since female enrolment rates is at least 90% of male enrolment rates in most Arab countries except Morocco, Yemen, and the Comoros (AHDR, 2005). The Global Human Development Report 2002 describes Arab countries' performance in decreasing gender inequality in primary education to be the best in the world while Sub-Saharan Africa's performance is the lowest. Only one Arab country has achieved gender equality in primary education while twelve are still on track and one country is far behind.

In the secondary level, however, female enrolment rate is lower than in the primary level. In most Arab countries, less than 80% of girls attend secondary level except in Qatar, Bahrain, Jordan, and Palestine. This rate does not exceed 20% in Djibouti and Mauritania. In Yemen and Djibouti, the rate of female attending secondary level is only 46% and 69%, respectively. Indeed, the only reason hampering females' attendance in secondary school is poverty while the reasons related to males' attendance include other factors. Girls, generally, tend to study majors of service-oriented professions such as nursing while boys prefer industrial, agricultural and vocational education (AHDR, 2005).

In higher education, twelve countries have reached gender equality. These countries are Algeria, Bahrain, Jordan, Lebanon, Libya, Oman, Qatar, Kuwait, UAE, Saudi Arabia, Tunisia, and Palestine. In Kuwait, Qatar, and UAE females attend higher education more than males do. However, it is important to note that large number of men study abroad which might explain some discrepancies in the data reported. Countries that have reported the lowest rates of female enrolment in higher education (less than 10%) are Djibouti, Yemen, Sudan, Mauritania, and the Comoros (AHDR, 2005).

There are some gender inequalities, however, in women access to engineering/technical education. At the University of Kuwait, for example, males are accepted in the engineering and petroleum studies on the basis of a grade point average of 67.9 while female students must achieve an average of 83.5 to be accepted. Despite some efforts to eradicate this discrimination, women studying engineering usually specialize in architecture or chemical engineering while men choose mechanics and electronics. These disparities exist even in medicine where men tend to study surgery while women go for gynecology, pediatrics and dentistry (AHDR, 2005).

Studies have shown that some Arab countries proved to have good quality of education in certain disciplines. Kuwait was the only country that participated in the "Third International Mathematics and Science Study, 1995" competing with 40 other countries, but it ranked at the end of the list of the participating countries. Four years later other Arab countries participated in the Trends in Mathematics, and Science Study (1999). Tunisia was ranked 29<sup>th</sup>, Jordan was ranked 32<sup>nd</sup>, and Morocco was the 37<sup>th</sup> in the list. Singapore topped the mathematics list while Taiwan topped the science list (AHDR, 2003). Other studies have found that Morocco, Jordan, and Algeria have a higher quality of public education services than private systems.

An overall picture of education level in the Arab world shows that Arab countries have an “adult literacy rate of 67 per cent compared to a global average of 79 per cent; a combined school enrolment ratio of 60 per cent compared to 64 per cent; and average years of schooling of 5.2 compared to 6.7 years” (AHDR, 2002).

The Global Human Development Report 2005 adds that in Arab and African countries, girls receive 1 year less of education than boys on average while in South Asia this difference reaches 2 years. In order to improve their education systems, Arab countries need to focus on three areas: enhancing human capabilities, building strong synergy between education and the socio-economic system; and creating a program for education reform at the pan-Arab level. Some of the important points needed to build an effective education system are: making the individual the central to the learning process, encouraging creativity and the spirit of challenge, helping students cope with a future of uncertainty, and enabling all children to have access to education with equal opportunities (AHDR, 2002).

### **Income deficits and Unemployment**

The third major deficit facing the Arab world is unemployment. Although data on employment are difficult to find, it can still be assumed that unemployment is increasing all over the region. “Most countries suffer from double-digit unemployment and that regional hot spots, such as Algeria, Iraq and the occupied Palestinian territory, suffer from much higher rates.” Employment has been affected mainly by the slow or negative growth experienced by Arab countries (AHDR, 2002).

Some countries like Saudi Arabia are characterized by segmented labor markets with differential wages. Nationals are paid higher wages than non-nationals which makes private employers prefer recruiting migrants. To absorb the unemployed national workforce, Gulf governments try to hire these people in the public sector. However, the low economic growth (1.2%) and the high population growth (4.3%) make governments unable to create enough job opportunities for all nationals. As a result, Gulf-countries government policies try to limit labor exports (AHDR, 2002)

The decline in labor exports aggravates unemployment in middle-income countries that used to benefit from their labor migration as an “employment cushion”. Moreover, the decline in migration to Europe and United States after 09/11 attacks contributes to an increase in unemployment rates within middle-income countries. Other obstacles to employment are the traditional and dysfunctional labor market as well as labor-market intermediation in the Arab region. Stabilization and structural adjustment programs aiming to reduce government spending have led many MENA countries to decrease their investments in expending public sector job opportunities (AHDR, 2002)

There are, actually, different faces of unemployment in Arab countries. Unemployment, defined as under utilization of labor, includes three categories: open unemployment (job seekers are unable to find work), visible underemployment (employees working less than a fixed time), and invisible underemployment (employees function at low productivity, under-using their abilities, do not earn enough to satisfy their basic needs). Invisible unemployment, although not given enough attention, usually results from an inadequate education system causing poverty and low productivity at the global economy level (AHDR, 2002).

The demand for jobs in Morocco has recorded an average annual increase of 2.3% between 1960 and 2003. Unemployment rate has shifted from 9.4% in 1960 to 10.7% in 1982 before it reaches 16% in 1994 along with an annual increase of unemployed people reaching 57,000. After 1994, unemployment rate decreased to 11.2%. The job

market has known an average annual increase in job offers of 152,000 in the period 1971-1981, a drop to 137,000 job offers between 1982 and 1994, and a jump to 217,000 in 1995-2003. Mainly present among women, urban citizens, youth, and graduates, unemployment in Morocco is usually due to the rapid demographic growth (4% annually among urban population), rural migration, the lack of enterprise creation, government intervention, and the inadequacy of education system with the job market. In 2002, unemployment rate was 30.8% among high school graduates and 34.4% among university graduates. Moreover, the number of women job seekers has tripled during the period 1960-2003. In 2003, unemployment rate was 25.4% among women compared to 17.4% among men. The Young population (15-24 years old) experience high rates of unemployment equivalent to 34.5% compared to 20.2% among adults (over 24 years old) (RDH50, 2006)

In general, women in the Arab region do not have the same job opportunities, job conditions, and wages as men. Albeit the great increase in women's share in economic activity - 19% compared to 3% for the world- between 1990 and 2003, economic participation of Arab women is still the lowest in the world. The percentage of Arab women participating in economic activity does not exceed 33.3% while the same average percentage in the world is 55.6%. Furthermore, females' participation is only 42% of males', which is considered to be the lowest rate in the world with a global average of 69% (AHDR, 2005).

In fact, female unemployment rate exceeds that of men in almost two thirds of Arab states and it is more than the double in half of these countries. For the first decade of the 21st century, the annual growth rate in the Arab work force is estimated at 3.5% while the one of female work is estimated at 5% per cent (AHDR, 2005).

The low participation of women in economic life can be explained by the different kinds of discrimination that women face in the Arab region. There are, for example, some laws which hamper women economic participation despite their claim for women "protection". Examples of these laws are personal status and labor legislation which require women to get father's or a husband's permission to work, travel or borrow from financial institutions (AHDR, 2005).

Another form of discrimination concerns wages. In the private sector, men are paid higher wages than women. Women feel forced to work in the public sector because they give equal pay and work conditions. However, with the implementation of structural adjustments, most Arab countries are decreasing their job offerings in the public sector. "The wage gap between men and women increases as their level of education decreases." For instance, in Jordan, earnings of female university graduates are 71% those of their males' counterparts while earnings of women with basic education are only 50% those of men with the same education level. For illiterate women, their earnings represent less than 33% of illiterate men (AHDR, 2005).

In times of economic recession, female workers are the first to be fired. For instance, in the first half of 1990s, a period characterized by a slow growth, the number of working women has significantly decreased in Egypt, especially in the private sector. Surprisingly, during the same period, the number of working men experienced an increase. Women continue to be underprivileged even when economic conditions improve. They are, actually, the last to be hired in times of economic expansion (AHDR, 2005).

### **Implications on Poverty**

Poor people are less likely to participate in civil and political society because they tend to focus on meeting their basic needs rather than contributing in the public sphere. As the poverty and income distribution inequalities are rising, the weaker social group is

growing among Arab countries. This growing lower class impedes the societal transformation needed to create a free and well-governed society (AHDR, 2004).

Arab states are urged to take serious measure to limit the spread of poverty among their population, promote human dignity, and fight the non-income aspects of poverty such as powerlessness and exclusion. Reducing human poverty and attaining social justice requires the implementation of some mechanisms like increase in expenditure on education and health. Such expenditures are considered to be investments in humanity (AHDR, 2005).

Overall, the Arab world lags behind in many indicators but has shown a significant progress in many sectors. According to the Human Development Report 2001, Arab countries made the fastest progress in health and education. "Since the early 1970s life expectancy at birth has improved by 14 years and the infant mortality rate by 85 per 1,000 live births, and since 1985 the adult literacy rate has risen by 15 percentage points – faster progress than in any other region."

#### 2.7.4. Policies supporting social cohesion in Arab countries

Basic necessities of life are the foundations of a strong social fabric and important indicators of social development. These needs as stated in the Arab Human Development Report (2009) are income, health, education, occupation and food distribution. Based on data provided by this recent report published by the UNDP, what follows is a presentation of the main the vulnerability of the region in terms of threats to social cohesion and human security.

In particular, the UNDP report stresses the importance of the inclusion of vulnerable groups to reach a better and more cohesive social links among Arab countries. So much that, the conduct towards vulnerable groups is a measure of social cohesion. As said earlier, the ignorance of such groups considers a big threat for the whole society. States have to address the human dilemmas that these groups face. These ignored and left-behind people as abused and violated women, children forced to work or to participate in wars, internally misplaced people, and refugees, are important pieces to the puzzle of social cohesion. Thus, integrating them in economic, social, educational and cultural policies will facilitate their participation in society.

##### **a. Income**

Analyzing income poverty is one of the most used approaches for measuring poverty. Despite the problems involved in getting high quality data on income distribution, there is evidence showing the magnitude of this problem in the Arab region. In most cases, income distribution inequality reflects weakened health and education equality which reveals disparities in the standards of living in general. The data shows that public policies are not focused on providing and assuring equal access to these basic necessities.

Large gaps between the wealthy and poor clusters of the population lead, ultimately, to the breakdown of social cohesion and the obliteration of social links among different communities. The results of the UNDP report showed great inequality amongst the Arab world and within specific countries in it. Income inequality in many countries revealed areas where there is high regional concentration of wealth and poverty which increases social disparities and breaks cohesion among different segments. There is, apparently, great correlation between the level of standards of living (health, education and nutrition) and income. When income and economic assets distribution includes all the segments of the population, social cohesion is reinforced. Indeed, income inequality has several consequences on society (economically and socially) in general. As it increases, there are higher rates of violence (crimes), no or slow economic growth,

and a blighted political representation. Social inequality exists because of the lack of resources (wealth) which bans these people from obtaining the same prospects as health care, food, education... As stated earlier, public policies have to consider such disparities to resolve this issue which will help in increasing income equality and mounting prospective opportunities for greater cohesion in the social fabric. Community sense amongst populations and equality are closely related. In fact, one can only exist with another especially in terms of the distribution of wealth and income.

#### **b. Employment and education**

Employment represents active participation in the economic and social aspects of the country. The Arab world witnesses one of the world's highest levels of unemployment. It is indeed is a major source of insecurity (economic and social) in most of the Arab world. Unemployment in the Arab countries affects inconsistently youth, but also shows great imbalance in female employment. "Unemployment rates for young Arab women are higher than those for young Arab men, and among the highest in the world". Even tough unemployment figures represent clear dangers, the UNDP report states that real figures might be more serious "where citizens seize on any means of making a living when they cannot find permanent jobs". The report also highlights an important point that is obtaining work does not imply freedom from poverty in the Arab countries. The welfare of individuals and communities is framed by adequate and equal access to resources and opportunities as income and other facets of life as education. As unemployment increases, the sense of participation becomes limited increasing personal insecurity and intensifying patterns of exclusion.

The report clearly states that high unemployment rates result in threatening patterns of marginalization. Without new and better jobs, countries run the risk of increasingly divided societies where the poor do not benefit from growth, leading to social discord and instability. Employment provides economical and social protection that is essential to achieve social inclusion and cohesion. Developing countries are typically characterized by unemployment, underemployment, lack of social protection, large informal economies and increasing working poor and marginalization, especially among women and young people. Reducing poverty by enhancing employment, employability, social protection as well as promoting decent work, feature high in the EU development and cooperation policies.

Economic, social situation and education are closely interrelated. Education qualifies one for better standards of living. Education has proved itself to be a trusted generator of social capital and is one of the most influential forecaster of individual tendency to trust, join and engage in community politics. In point of fact, the relationship between inequalities on the level of education and income, and between income inequality and social outcomes such as crime and health has been sturdily confirmed. In fact, social, economic and health problems cause declining levels of education. The report stresses the fact that providing a suitable standard of living for children will be reflected positively on their education and life, in general, but also to society as a whole.

According to the UNDP report, Arab governments do not provide adequate education in terms of quality and type, which does not stress technical or vocational skills in demand. Education development needs to be handled by public policies as it will allow "closing skills gaps, responding to labor market signals and stimulating knowledge-based capabilities matching opportunities in the global, as well as regional economy". According to the report, much social insecurity comes of the fact that education components are missing causing Arab countries to badly perform on education scales (high rates of adult illiteracy) due to low quality of education which affects negatively

their “knowledge assets, local innovation” and comes on the way of the shift towards technology-driven models of development. Assumingly, poor education will lead to high unemployment which causes dwindling standards of living and thus poor social infrastructure which itself participates to social (and political) instability.

### **c. Health**

Health is one of the foundations of human development as it is necessary to human welfare. It reflects survival and protection from illness. “Good health enables human choice, freedom, and progress”, and contrarily, poor health (illness, injury, and disability) generates dangerous setback for the whole society (individuals and communities) and its economy. Yet, health is interdependent with other components of human security— leading to social cohesion— as political, economic, environmental and nutritional factor. For instance, wealth and income are becoming more and more interrelated with the disappearance of welfare states. Growing evidence suggests that the distribution of income is a key determinant of population health. In the Arab world, large gaps between high and low resources’ access lead to higher mortality through the breakdown of social cohesion.

Health security is an issue that crosses national border as argued in the report. It is an occurrence that requires different development across in the society. The intervention of international actors is also important because it provides “health surveillance” to protect against increasing inequalities in health services. Acknowledging the importance of health in social cohesion, states have launched several reforms across Arab countries. Yet, there has been important limitation of international interactions causing them to not reach health security which eventually was reflected in the reforms: human security did not appear to be a model followed and aimed at.

Instead, “approaches to security are restricted to the concept of state security for addressing domestic and international dangers”. This means that public health services providing (health security) is not the priority of Arab states. Indeed, the UNDP report states that there is “relatively low priority is given to the subject of health itself in budgets and programs pertaining to development in the Arab countries”. Instead, it is put in a second place in comparison with basic needs, job creation, and economic growth. Hence, region’s inhabitants and communities face several health challenges. In addition, there is a clear gap in health-related data whereas most information is drawn from governments themselves (reliability of the data is in doubt).

Nonetheless, the UNDP report acknowledges improvements in the health sector in Arab countries during these last decades. Actually, they have made greater progress in the prevention death and extending life than most developing countries. This is noticed through the “23-year increase in life expectancy and the reduction in infant mortality rates from 152 to 39 per thousand births”. Even with the increase of positive indicators, challenges remain solid and imposing. Inequality of providing health services in Arab countries has to be addressed. Better health coverage has to be achieved with the wealth available in the countries. Data collected from several countries as Morocco, Syria, Jordan, and Egypt had showed that there are great disparities between rural and urban regions. Studies have shown that good health has a positive impact on human security and economic development. The effects of violence and communicable diseases continue to be the primary causes of death in war-torn or impoverished countries such as Somalia, Sudan, and Yemen.

To come up with an end for health issues in Arab countries, equality has to be established in the areas in which health interventions need “to be made to reinforce human security”. Solving such issues will require the mobilization of policymakers, academics and health practitioners to consider sub-national (regional) variations. This

would, definitely, resolve the noticeable disparities among different in health providing. Those who would profit from this are disadvantaged groupings such as “the poor and those who support them, particularly young children and the elderly, as well as vulnerable and excluded social groups, such as refugees, migrant workers, those with specialized needs, minorities, and women”. Once this is attained, social cohesion will benefit tremendously.

#### **d. Food**

The Arab countries have increasing hunger and malnutrition rates among their populations despite the availability of different resources. Although results vary from one country to another, the region as a whole fell behind in the in “achieving the hunger-reduction target of the Millennium Development Goals (MDGs)”. In fact, the Arab region has one of the lowest rates of undernourishment. The main reason that hunger and malnutrition are so prevailing is the insufficiency of daily ingestion, which is due to limited supplies of different foods causing imbalance in diets. One would definitely wonder about the relationship between social cohesion and nutrition? In fact, the report demonstrates that Arab countries are “more self-sufficient in food commodities that are favored by the rich (meats, fish and vegetables) than in those likely to be consumed by the poor (cereals, fats and sugar)”. The food distribution in a country reflects how much care is provided for the less-fortunate.

It has been clearly shown that hunger, in the region, is caused by “poverty, foreign occupation and domestic conflicts, and economic policies for dealing with globalization”. Again, one of the main issues here is to consider public policy and its priorities in terms of serving poor subsets of the population. Food accessibility and distribution is strongly affected by public economic policies and openness to world markets. For example, the report illustrates the fact that concentration on agricultural development in rural areas is more fruitful in getting rid of hunger than urban industrial development. Hunger has numerous effects both on the collective and individual level as the report showed:

- On the individual level: “Hunger attacks health” as it restrains the “physical, mental, and cognitive growth”. It also increases children mortality as malnutrition causes weakened immune systems that are not able to fight diseases. Malnutrition and hunger makes pregnancy dangerous for women as it increases the rates and risks of complications during pregnancy and even death during delivery.
- On the collective level: “Hunger debilitates society by increasing rates of disease, mortality and disability” by deteriorating the human immune system, it weakens the body’s ability to fight different diseases, especially ones that are communicable infections such as “dysentery, measles, malaria, and acute pulmonary”. “Hunger exacts financial costs and reduces productivity” as states become more focused on the damaging effects of hunger. As a result, hunger and undernourishment cause the state to incur all the indirect costs of “lower worker productivity, premature death or disability, absenteeism from the workplace and poor returns on education”.

#### **2.7.5. Social Reforms in the Region**

While social policies were important components of public policies before the phase of structural adjustments, these policies have not been given the priority with the beginning of the political and economic reforms. The social reforms have been re-

introduced later with the pressure of international organizations and with the development of Non governmental organizations. These reforms have focused mainly on poverty reduction, participation, gender issues and focus on the youth and children. But a clear orientation on human development is not fully considered in all the countries of the region. Some countries started to work on improving women rights while lagging behind the traditional status of women (Arab Human Development Report, 2004).

Other social reforms concern health care, child care, and poverty reduction. Some reforms are also realized through income transfers pensions, social security payments and insurance. Actually, the World Bank initiated some reform programs focusing on social protection and human development. Also some countries initiated improvements in the education system in terms of quality and coverage besides health-care services.

For example, education in Morocco has been benefiting from budgets that have been increasing over the period 2002-2008. The operating budget in million DH increased from 21,353 in 2002 to 34,498 in 2008. The investment budget also increased from 2,077 in 2002 to 2,932 million DH in 2008. This is the equivalent of a total budget of 23,430 in 2002 and 37,430 million DH allocated to the Ministry of Education. This is an increase of 150 % in 6 years with a 25 % annual increase.

**Table 11 - Education budgets of Morocco: 2002-2008**

	2002	2003	2004	2005	2006	2007	2008
Operating Budget (in millions DH)	21353	26475	25398	24994	32958	34451	34498
Investment Budget (in millions DH)	2077	1973	1811	1824	2345	2645	2932
Global Budget (in millions DH)	23430	28448	27209	26818	35303	37096	37430

Source : Moroccan Ministry of Economy and Finance, 2009.

The above position can be explained by the low levels of commitments to health and education among others.

Commitments to education and health in the three countries under studies have been summarized by the AHDR 2009 and are introduced in the following tables. These tables show how each country allocated resources to health and education. Morocco appears to be engaging more resources to education as 5 to 6.7 % of GDP is devoted to this sector. The other two countries are allocating around 4 percent.

**Table 12 - Commitment to education: public spending**

	Public expenditure on education				Current public expenditure on education by level (%)					
	As a % of GDP		As a % of total government expenditure		Pre-primary and primary		Secondary and post-secondary non-tertiary		Tertiary	
	1991	2002-05	1991	2002-05	1991	2002-05	1991	2002-05	1991	2002-05
Syria	3.9		14.2							
Egypt	3.9									
Morocco	5	6.7	26.3	27.2	35	45	49	38	16	16

Source: Arab Human Development Report 2009, Table 10, p. 238

With respect to health, the indications given in the table show lower commitments that that are 2.5, 3.7 and 3.4 % respectively in Syria, Egypt and Morocco in 2004.

**Table 13 - Commitment to health: resources, access and services**

	Health expenditure			MDG One-year-olds fully immunized					
	Public (% of GDP) 2004	Private (% of GDP) 2004	Per capita (PPP USD) 2004	Against tuberculosis (%) 2005	Against measles (%) 2005	Children with diarrhoea receiving oral rehydration and continued feeding (% under age 5) 1998-2005	MDG Contraceptive prevalence rate (% of married women aged 15-49) 1997-2005	MDG Births attended by skilled health personnel (%) 1997-2005	Physicians (per 100,000 people) 2000-04
Syria	2.2	2.5	109	99	98	..	48	77	140
Egypt	2.2	3.7	258	98	98	29	59	74	54
Morocco	1.7	3.4	234	95	97	46	63	63	51
All developing countries				83	74			60	
Arab States				86	86			74	
OECD				92	93			95	

Source: Arab Human Development Report 2009, Table 5, p. 233

## 3. Measuring social cohesion and convergence in the Mediterranean

### 3.1. Indicators for the Measuring of Social cohesion<sup>29</sup>

As stated, defining social cohesion is difficult and hence, so is measuring it. The complexity and relativity of social exclusion, its sensitivity to context and time, and its variation across salient dimensions, processes, and domains of social relations, have made it extremely difficult to measure it “scientifically.” Together with the multiplicity of definitions, inevitably, many are the ways to measure social cohesion. Several systems of indicators for social cohesion have been proposed according to the theoretical approach adopted (see Berger-Schmitt and Noll, 2000).

Generally speaking, though, the measurement of social cohesion based on social indicators is complex. Specifically, and taking as example the EU concept of social cohesion, two important issues arise regarding measurement. First, given that the key characteristic of social exclusion is that it is a process, social exclusion ought to be measured using dynamic models that capture the processes through which individuals may become excluded from society. And, second, due to its multidimensionality, it requires a multiplicity of disciplines and indicators that describe the interconnected nature of social exclusion.

Moreover, the policy and political impact of social indicators needs also to be taken into account. In fact, growing interest in social cohesion indicators is also explained by the current generalised use of indicators in policy-making, for which the EU experience is the most obvious example. At EU level, efforts to operationalise the concept at policy level have been mainly driven by policy mandates, and have clearly outpaced theoretical work. As it will be assessed in the following section, at EU level, the Laeken-indicators serve as measures for social exclusion from a policy point of view, aiming to foster comparability between countries. The monitoring activities in relation to these EU-standards provide information on the individual risk factors that increase the chance of being socially excluded, but make it hard to gain insight in the social exclusion phenomenon as such.

Hence, the monitoring of progress to greater social cohesion should be performed on the basis of a comprehensive, but parsimonious and manageable set of indicators. A system of indicators on social cohesion considers dimensions of the concept across a wide range of life domains or sub-dimensions. For instance, regarding social exclusion, issues such as regional disparities and equal opportunities need to be considered; while for social capital, relevant aspects may be participation in social and political activities, quality of social relations and so on. Once main sub-dimensions are identified and agreed, suitable indicators need to be developed for each of them. As results, a list or portfolio of indicators of social cohesion shall be defined. Best or appropriate social indicators need to satisfy certain conditions such as being meaningful, valid and reliable. This is necessary to ensure high political relevance and the possibility of measuring in a comparable way changes in societal patterns and

---

<sup>29</sup> This section draws on Estruch-Puertas (2008).

policy outcomes over time. Methodological and feasibility issues may need to be considered as well. Last but not least, the adopted system of indicators may need review and adjustment over time to ensure its relevance and reliability (Berger-Schmitt, 2000; Atkinson et al., 2002).

### 3.1.1. EU indicators to social cohesion

In the EU, social cohesion indicators have been developed and politically agreed for the purposes of monitoring progress towards the Lisbon objectives. The present section reviews the development of the portfolio of common indicators together with the policy process for monitoring social inclusion and fight against poverty within the EU. Hence, the resulting set of indicators and relevant methodological issues are described, together with changes introduced over time.

In the Lisbon European Council in May 2000, EU Member States agreed that poverty would be eradicated by 2010, improve the understanding of poverty and social exclusion in the European context and to identify and exchange good practice. In the context of the Lisbon Agenda, it was recognised that that greater social cohesion, together with economic growth, more and better jobs, is an essential element for achieving the strategic goal of being the most advanced knowledge-based society by 2010. Some months later, in the Nice European Council (December 2000), it was stated that social policy, would specifically focus on fight against poverty and social exclusion. For that, Member States were asked to coordinate their national policies for combating poverty and social exclusion on the basis of the 'soft' Open Method of Coordination (OMC).

Specific to social indicators, following the conclusions of the 2001 Stockholm European Council, a mandate was given to propose a set of common social inclusion indicators. At the Laeken Summit (December 2001), the agreed portfolio of common social indicators was endorsed. It emerged from a process involving the EU Social Protection Committee and its Subgroup on Social Indicators<sup>30</sup> and a technical report "Indicators for Social Inclusion in the European Union" by Atkinson et al (2002), which was supported by the Belgian government.

The development of such a common framework of social indicators participated also from considerable efforts by the Commission since 2000 on structural indicators including a subset on social cohesion (European Commission, 2000b). Further, such increased interest on social indicators and policy monitoring was very much in line with concerns with benchmarking economic conditions by international institutions (EU, OECD, WB and others). It was also associated with considerable efforts in several countries in the field of monitoring social inclusion, as well as by research institutions (Noll, 2002; Berger-Schmitt and Noll, 2000; Berger-Schmitt, 2000; O'Connor, 2005).

---

<sup>30</sup> The Indicators Subgroup is a technical group of the Social Protection Committee that works on a consensual manner to support cooperation between Member States on social protection and social inclusion policies). It started meeting in February 2001 responding to the Lisbon European Council 2000 request of developing common approaches and compatibility concerning social indicators. In particular, its role is concentrates on the discussion for the definition of common indicators of poverty and social exclusion, and on the quality of existing ones. Besides, together with EUROSTAT, and other relevant bodies, works to solve difficulties linked to the quality and availability of EU level data sources, other sources of national data are explored to complement that type of data.

Overall, the development of such a portfolio is remarkable as managed to bring together different national approaches and traditions. At the time, those EU countries that had conducted some analysis of poverty and social exclusion had done so on the basis of different approaches and focusing of different dimensions of the phenomena. For some, financial poverty has been a major concern while for others social exclusion would be understood in a more qualitative or subjective manner. Depending on the country, different subgroups in the population are pointed out as most vulnerable categories. In some countries, such as Italy, the debate has been mostly driven by regional disparities. Conversely, other countries focus on particular stages of the life cycle. Yet, some conceptual and methodological convergence could be perceived. For instance, social exclusion was mainly seen as a multidimensional concept and hence, several dimensions of deprivation (labour market, housing, education, health, family) were to be taken into account by systems of social indicators. Likewise, certain issues such as gender and ethnic minorities receive particular attention in many countries. Nonetheless, it is also recognised that while common challenges and objectives may be shared across EU countries, cultural factors, institutions and social policies continue to significantly differ (Atkinson, 2003, p. 9). Therefore, focus on outcome indicators, rather than on input indicators, was determinant for achieving an agreed methodological approach to the measurement of social cohesion at EU level and was fully in line with the OMC policy framework.

In this sense, and despite criticisms to its soft nature, the OMC has meaningfully contributed to build on a common understanding while respecting differences across countries. It was realised that it was necessary a common basis of knowledge about required policies for improving social conditions at different governance levels (i.e., regional, national and European). In fact, by adopting the OMC, the European Union has pursued the challenge of building on a growing commonality in terms of objectives while leaving aside differences in policy approach of Member States. But at the same time, and as noted by Cantillon (2005), a crucial precondition was the availability of reliable and comparable information about the social situation in the various Member States. In this regard, the availability of common social indicators and the collection of (comparable) data about the life circumstances are crucial for monitoring progress towards greater social cohesion. Besides, such common indicators also portray the social conditions of population and subgroups, which prove to be a useful tool for individual countries and for Europe as a whole.

Many of the recommendations of the aforementioned report by Atkinson et al. (2002) contributed to the complex exercise of finding an agreement for a common set of social indicators. Specifically, based on earlier national experiences in the measurement of social inclusion and the first round of NAPs for Social Inclusion (2001), the report assesses strengths and weaknesses of alternative indicators for the various dimensions under consideration (i.e., income, employment, education, health, etc.). As results, it issued a series of recommendations for indicators to be selected and used. Namely, individual indicators should be normative, statistically validated, responsive to effective policy interventions but not to manipulation, measurable in a comparable way, timely and susceptible to revision, and not impose too large a burden on Member States, enterprises or citizens. The indicators would be broken down by region and gender and by other relevant variables depending on the indicator for example, it would be necessary to give poverty rates for children and older people. The portfolio should be balanced across dimensions, indicators should be mutually consistent and of

proportionate weight, and the portfolio should be transparent and accessible to citizens. (op. cit., pp. 190-192)

The Social Protection Committee acknowledged that the multidimensional nature of social exclusion required a large number of indicators. Besides, in the EU context, the objective was measuring progress towards greater social cohesion and hence, indicators had to focus on social performance, on outcomes rather than inputs. Outcome indicators had to be selected on the basis of commonly agreed general principles which ensured a balanced, consistent but sufficiently broad portfolio. With all this in mind, the following methodological principles were endorsed (SPC-ISG, 2001, p. 2):

1. An indicator should capture the essence of the problem and have a clear and accepted normative interpretation
2. An indicator should be robust and statistically validated
3. An indicator should be responsive to policy interventions but not subject to manipulation
4. An indicator should be measurable in a sufficiently comparable way across member States, and comparable as far as possible way with the standards applied internationally
5. An indicator should be timely and susceptible to revision
6. The measurement of an indicator should not impose too large a burden on Member States, on enterprises, nor on the Union's citizens
7. The portfolio of indicators should be balanced across different dimensions
8. The indicators should be mutually consistent and the weight of single indicators in the portfolio should be proportionate
9. The portfolio of indicators should be as transparent and accessible as possible to the citizens in the EU

Further, selected social indicators should be prioritised by placing them in three levels. *Primary* indicators would consist of a restricted number of lead indicators that would cover the broad fields that have been considered the most important elements in leading to social exclusion. Then, *Secondary* indicators would support these lead indicators and describe other dimensions of the problem. Both these levels would be commonly agreed and defined indicators, used by Member States in the National Action Plans on Social Inclusion. Additionally, a *Third* level of indicators is also included in which Member States can highlight specificities in particular aspects, which may in turn help to interpret primary and secondary indicators. Third level indicators though are not harmonised at EU level.

The resulting set of commonly agreed social indicators, or Laeken indicators, covered four dimensions of social inclusion: financial poverty, employment, health and education. Ten primary indicators were adopted to cover the most important elements identified as leading to social exclusion. Three of the ten indicators relate to poverty: at-risk-of-poverty indicators, one inequality of income distribution indicator (the quintile ratio), two unemployment indicators and one indicator in each of the following areas: early school leaving, life expectancy, regional cohesion, and self-defined health status (see Table 1). On the other hand, adopted secondary indicators provide more detail on the different fields. It is recalled that Member States would supplement these two levels of indicator with a third. This third level was not harmonised at EU level, and intended to reflect specific national circumstances and adding insights and contextual information into the two former levels.

Notwithstanding the multidimensional perspective, there is a primary focus on indicators of relative (income) poverty. Specifically, indicator 1 focuses on its extent among population subgroups and indicator 3 is concerned with more dynamic aspects linked to the persistence of poverty. The median poverty gap is used as indicator as well, in order to account also for the depth of poverty.

An indicator of absolute poverty is considered less relevant for the EU because the key aim is about ensuring that the whole population share the benefits of high average prosperity, more than about reaching basic standards of living (as in developing countries). Another reason for preferring a relative notion of poverty is that minimal acceptable living standards depend on the general level of development, which varies across countries.

Hence, the selected indicator of relative poverty is the proportion of individuals living in households where equivalised income is below the threshold of 60% of the national equivalised median income. The total net income of each household is calculated by adding together the income received by all the members of the household from all sources. For each individual, the equivalised total net income is calculated by dividing the household total net income by the equivalised household size according to the modified OECD scale<sup>31</sup>; hence, each person in the same household is assumed to receive the same equivalised total net income. Breakdowns are provided by gender, main age groups and broad household types. It is noted that while this indicator may allow for calculating trends in poverty risk over the years, it must be interpreted with caution because of the lack of confidence interval estimates for changes over time, as well as more technical issues related to delays in compiling and validating statistics. (Atkinson et al., 2002; Atkinson, 2006)

Despite explicit focus on outcome indicators, the indicator of at-risk of poverty rate before social cash transfers does not strictly measure social outcomes. Actually, if compared to the poverty risk rate after social transfers, it can be seen as an indicator of the impact of social transfers in reducing poverty (i.e., input indicator). If the standard at-risk of poverty rate is compared to the hypothetical case of no social transfers, it appears that social transfers do have an important redistributive effect that contributes to reduce the number of people who are at risk of poverty. Nonetheless, this indicator should always be interpreted with caution, because the impact of certain types of interventions (e.g., social cash transfers) on disposable income is not accounted for. Moreover, it implicitly assumes that all other remain equal when comparing poverty risk before social transfers to the poverty risk after social transfers. This may be unrealistic since it presumes, for instance, unchanged household and labour market structures. (Atkinson et al., 2002; Guio, 2005)

Three are the indicators that were selected to measure the dimension of employment in promoting social cohesion. Together with the long-term unemployment rate, two other indicators measure the possible implications of joblessness and geographical disparities in terms of employment (regional cohesion) on social cohesion. Yet, there

---

<sup>31</sup> The modified OECD scale gives a weight of 1.0 to the first adult, 0.5 to other persons aged 14 or over who are living in the household and 0.3 to each child aged less than 14.

have been criticisms to indicator 7 on jobless households, because it identifies a highly heterogeneous group whose economic circumstances can be very different, and may require a deeper understanding. Atkinson (2006) adds that if the concern is that joblessness may lead to financial poverty, measuring reductions in joblessness should not be the main instrumental goal, but rather focusing on measures of financial poverty. Yet, joblessness continues to be justified as an indicator because of the intrinsic importance attached to employment as a force for social inclusion at EU level. Regarding regional cohesion, it is recognised that, given significant regional disparities within Member States, regional information should not be limited to the employment dimension (indicator 5), but it should be provided for all indicators of social indicators for which it is meaningful and for which data are reliable. (Atkinson et al., 2002)

Lack of basic competences and qualifications is recognised as a major barrier to inclusion in knowledge-based society and economy. Indicator 8 is an attempt of capturing the at-risk of poverty faced by those who have only lower education (i.e., less than upper secondary qualification). In the area of health, life expectancy at birth should express several dimensions, including the health status of individuals, access to and utilisation of health services, as well as wider socio-economic factors. Thus, levels of mortality per se are not the main concern but rather differential mortality according to socioeconomic or other reasons.

As stated in the methodological principles, selected indicators had also to satisfy the condition of not causing excessive burden on governments, enterprises and citizens. Hence, sources of the indicators would be the European Community Household Panel (ECHP) and Labour Force surveys.

During the first period (1994-2001), the ECHP was the primary source of data to calculate the Laeken indicators. The ECHP was conceived as an EU-wide input-harmonised longitudinal panel survey on income and living conditions. It was based on a standardised questionnaire that involved annual interviewing of a representative panel of households and individuals in each EU member state, covering a wide range of topics, namely: income (including the various social benefits), health, education, housing, demographics and employment characteristics. The longitudinal structure of the ECHP made it possible to follow up and interview the same households and individuals over several consecutive years. However, it suffered from typical problems such as differential attrition and non-response rates (Peracchi, 2002).

Another essential aspect is the revision of common social indicators. The definitions and methods are to be conceived in a dynamic manner. In the EU context, responsibility for the review and adjustment of the portfolio was left to the ISG in consultation with Eurostat and the European Commission, together with National representatives. For instance, measurement of all relevant dimensions of poverty and social exclusion was to be reinforced, and that required additional common social indicators in other relevant areas such as social participation, recurrent and occasional poverty, access to public and private essential services, territorial issues and indicators at local level, poverty and work, indebtedness, benefit dependency and family benefits. Another area to develop was examining how to measure in a more satisfactory manner the gender dimension of poverty and social exclusion. (ISG, 2001, p. 4)

Nonetheless, it is realised that the Laeken set of common social indicators suffered from some weaknesses. In fact, given the multidimensional concept of poverty and

social exclusion adopted at EU level, the common indicators are much better developed for material and labour market deprivation than for social, political, or cultural dimensions (Berger-Schmitt and Noll 2000). The Laeken set of indicators is mainly shaped by two major dimensions: that is income poverty and unemployment. Conversely, there were several relevant dimensions for which common indicators were not reached, such as in the field of housing (e.g., housing costs or homelessness), and in health (e.g., quality adjusted life expectancy or premature mortality by socio-economic status). Besides, Atkinson et al. noted that the regional and gender dimensions were not examined in an adequate manner. Another drawback referred to the underrepresentation in the sample of vulnerable groups difficult to reach (e.g., children, convicts, elderly, migrants and ethnic groups, etc.) and the lack of information on groups not living in “private households”, including the homeless and those living in institutions (old age homes, prisons, orphanages). Despite clear improvements in the EU data bases over recent years, there is room for improvement in terms of timeliness and availability of comparable data. Statistical capacity is crucial for a comprehensive monitoring of the social inclusion process that accounts for its multi-dimensionality. In this regard, though, the EU-SILC will be an important source of comparable data in the future. For this reason, it is important that the current exacting timetable does not slip. Likewise, excluded people should be further involved directly or/and through representative organisations in the development of indicators. Finally, the third level indicators ought to be s additional common indicators for those dimensions for which discussions are still being carried out.

After some years of experience and in view of some relevant changes within the EU (i.e., Re-launch of the Lisbon Strategy, new EU Social Agenda, Enlargement), the social OMC was subject to some adjustments (European Commission, 2003, 2005a, 2005b), which involved review of the set of commonly agreed social indicators.

In 2005, the Streamlined OMC (or OMC II) for social protection and inclusion policies was approved. Two were the objectives of OMC II. Firstly, existing social OMC processes (i.e., social inclusion, pensions and health and long-term care and process relating to making work pay) were to be streamlined to ensure effectiveness of policy implementation. Secondly, these streamlined processes were to be synchronised with the already streamlined employment and economic strategies. As from 2008, synchronisation should ensure mutual reinforcement of the economic and social policy fields, which is linked to the European understanding of social policies as complementary to economic growth strategies.

As regards to the changes introduced to the portfolio of EU social indicators, the OMC II framework brings together the three strands of EU social policy: social protection and inclusion, pensions and health and long term care. Consequently, the new framework consists of four sets of indicators: an Overarching Indicators Portfolio and individual portfolios for each of the streamlined processes.

For the selection of the individual indicators, the general methodological framework is composed by 8 criteria, five of them referring to individual indicators, and three to each individual portfolio. Specifically:

1. An indicator should capture the essence of the problem and have a clear and accepted normative interpretation
2. An indicator should be robust and statistically validated

3. An indicator should be responsive to policy interventions but not subject to manipulation
4. An indicator should provide a sufficient level of cross-countries comparability, as far as practicable with the use of internationally applied definitions and data collection standards
5. An indicator should be built on available underlying data, and be timely and susceptible to revision
6. Each of the four indicators portfolios should be comprehensive and cover all key dimensions of the common objectives
7. Each of the four indicators portfolios should be balanced across the different dimensions
8. Each of the four indicators portfolios should enable a synthetic and transparent assessment of a country's situation in relation to the common objectives

At first sight, the criteria are very similar to the 2001 methodological principles. For instance, the principles highlight the importance of reliability, consistency and timeliness. Besides, the distinction between primary and secondary indicators has been maintained within each portfolio, but they are now complemented with sets of contextual statistics, which are expected to contribute to a better interpretation of indicators.

Further, some adjustments have been introduced. First, while focus is still placed on performance indicators, input indicators may be also included to improve the reporting of policies. Second, the implementation of the principles is more flexible. In particular, it allows for the inclusion of "commonly agreed national indicators", which are based on commonly agreed definitions and assumptions, but they do not satisfy all the criteria. They do not allow for direct cross-national comparison, and do not have a clear normative interpretation.

The Overarching Indicators Portfolio responds to three general objectives of EU social protection and inclusion, namely:

- a) Social cohesion, equality between men and women and equal opportunities for all through social protection systems and social inclusion policies
- b) Effective and mutual interaction between the objectives of greater economic growth, more and better jobs and greater social cohesion within the EU's Sustainable Development Strategy
- c) Good governance, transparency and involvement of stakeholders in the design, implementation and monitoring of policy.

Then, a reduced set of new or existing agreed EU or national indicators has been selected to monitor the first two objectives (the objective related to governance is not covered by the selected list of common indicators). Specifically, the approved Overarching Indicators Portfolio is composed of 14 commonly agreed (national and EU) indicators complemented with 12 context information items. (See Table 2)

Regarding the individual policy strands, we focus on the Social Inclusion portfolio, which is largely drawn from the 2001 Laeken indicators outlined in the previous section. As stated by the ISG (2006), for the social inclusion strand the aim is to make "a decisive impact on the eradication of poverty and social exclusion by ensuring:

- a) access for all to the resources, rights and services needed for participation in society, preventing and addressing exclusion, and fighting all forms of discrimination leading to exclusion;
- b) the active social inclusion of all, both by promoting participation in the labour market and by fighting poverty and exclusion;
- c) that social inclusion policies are well-coordinated and involve all levels of government and relevant actors, including people experiencing poverty, that they are efficient and effective and mainstreamed into all relevant public policies, including economic, budgetary, education and training policies and structural fund (notably European Social Fund) programmes.

Hence, the streamlined list of commonly agreed social indicators for social inclusion includes 11 primary indicators, 3 secondary indicators and 11 context indicators (See Table 3). The revised social indicators portfolios still are at the work in progress stage, particularly in relation some specific dimensions such as health and homelessness, as well as children well-being. On the other hand, the portfolio has reached more measurement potential in terms of poverty and social exclusion. (O'Connor, 2005)

Compared to the 2001 Laeken list, the set of commonly agreed indicators has been re-focused so that contains only most important indicators describing the multiple dimensions of poverty and social exclusion. First, some reorganisation of indicators has been carried out moving some indicators from the primary level to secondary level and/or to contextual dimensions. Some other Laeken indicators have now been included in the Overarching portfolio, mainly because they are considered more appropriate to monitor overall social cohesion (and/or its interaction with employment and growth). In the case indicators prove to be relevant both for overall social cohesion and social exclusion and poverty, they are included in both lists. Secondly, some new indicators have been introduced (e.g., employment gap of migrants and low reading literacy performance of pupils), as well as some indicators yet to be developed (e.g., access to health care or children well-being). Thirdly, the at-risk of poverty rate is now also presented disaggregated by work intensity of households. It completes information on in-work poverty, which is included in the Overarching portfolio. Fourthly, refinements have been also agreed for the precise definition of indicators and breakdowns. Finally, a few indicators were dropped because they were deemed redundant, such as persistent poverty calculated with a 50% threshold, long-term unemployment share and very long-term unemployment rate.

At this point, it is worth mentioning the challenges posed to the selected list of indicators by the entry of Central and Eastern European countries (2004, 2007). Main issues mostly relate to the measurement of income-related social indicators. In fact, the question of whether poverty in Europe should be measured using a single EU standard is particularly important when the prospective of Enlargement remains open. Apart from issues of technical and statistical capacity of measurement, the majority of new Member States present standards of living considerably below those of existing members, as well as cultural and historical specificities. Using a single standard of poverty across Member States would be an option, but it would bring significantly different results from those obtained using country-specific thresholds. Overall, such an EU-wide approach would miss some people in richer countries who are experiencing exclusion from their society, while counting substantial members in the poorer countries who are not experiencing such exclusion. Consequently, the country-

specific thresholds should continue to be used to calculate at-poverty risk indicators. Still, the Commission could complement agreed indicators with background information based on an EU-wide threshold. (Atkinson, 2003, p. 34; O'Connor, 2007; Marlier et al., 2007)

Second, the choice of a common equivalence scale (modified OECD scale) was also questioned. While adjustment is necessary, it is acknowledged that consensus has not been reached on how best construct equivalence scales. Hence, the same equivalence scale will be used to calculate income indicators. For other indicators, Marlier et al. (2007) propose to recalculate those using different scales and include them in the portfolio as contextual information.

Third, subjective measurement of life satisfaction is another issue that has been reconsidered in the context of Enlargement. In some new Member States, levels of subjective satisfaction were relatively low, and hence it seemed important to understand the determinants of such low levels of life satisfaction perceived by citizens in those countries. However, they may be mainly explained by the impact of the economic and political transition. Subjective measures are important, because they reflect the gap between a person's objective situation and expectations, although this gap is difficult to interpret. Hence, while it is recognised the importance of such gap, no relevance is attached to subjective measures for policy-making and monitoring progress towards greater social cohesion within the EU. (Marlier et al., 2007, p. 158)

Another area in which significant changes have been introduced is the statistical sources and underlying data to calculate commonly agreed social indicators. It was realised that the ECHP had to be updated in response to fulfil new requirements of the streamlined set of social indicators. Thus, a legal act for its replacement was introduced and approved the EU-Statistics on Income and Living Conditions (EU-SILC). The EU-SILC was originally launched on the basis of a "gentlemen agreement" among six Member States (Belgium, Denmark, Greece, Ireland, Luxembourg and Austria) together with Norway. But, in 2004, a regulation was endorsed for the implementation of the EU-SILC project in all EU Member States, as well as in candidate countries and Norway, Iceland and Switzerland. EU-SILC will provide two types of data: cross-sectional and longitudinal data which will be treated with different timetables. As such, information can thus be obtained from different sources, there is not a harmonised questionnaire as in the ECHP, but there are harmonised variables for which each country is required to provide information. The panel duration has been reduced from eight years (ECHP) to four years, which will correct the impact of cumulative attrition. Besides, thanks to the use of a rotational panel, new samples of population subgroups can be introduced each year and as results, cross-sectional data will then be richer than data derived from a pure panel.

On the other hand, the use of national sources gave rise to concerns in terms of international comparability. Nonetheless, continuous efforts by Eurostat in the harmonisation of definitions and concepts should ensure maximum comparability across EU countries. In December 2006, the first set of micro-data and cross-sectional EU25 indicators using EU-SILC was available. Nonetheless, all this means that indicators will continue to be calculated on the basis of data household surveys based on individuals who live in private households. This requires further statistical efforts to collect relevant socio-economic information about vulnerable groups that may be underrepresented because they are not easy to reach (e.g., migrants and ethnic

minorities, people living in institutions, the homeless, people with disabilities, etc.). (Guio, 2005; Marlier et al., 2007)

Overall, the streamlining of the OMC for Social Inclusion should lead to gains in efficiency and simplicity, while respecting the differences of the different OMC processes. Nonetheless, several challenges lay ahead in the measurement of social cohesion at EU level. For instance, coverage of the portfolios should be reinforced by developing new indicators in a certain number of relevant dimensions of social cohesion (e.g., access to health care, homelessness). Likewise, it would be necessary to encourage further policy analysis on the basis of common indicators, which in turn requires significant progress in the availability and dissemination of statistical data. While in terms of policy progress towards greater social cohesion, embedding of social inclusion indicators in national policy-making would be necessary so that common objectives are effectively attained. (O'Connor, 2005; Marlier et al., 2007)

In conclusion, the development of commonly agreed indicators is still open. Although resulting portfolios seek a representation of social concerns at EU level, these portfolios should still be seen as a work in progress. On the one hand, the Laeken list has been successful in bringing together different national systems of indicators towards a common, multidimensional and balanced system of social indicators that focuses on monitoring performance, while still taking into account national differences. However, common indicators do not seem to have a significant impact on policy priorities at national level. For that, it is necessary that national governments fully engage in making full use of the instruments provided by EU framework. This involves setting national targets and a domestic social inclusion monitoring frameworks that link the national specificities to the common indicators and the EU monitoring process.

### 3.1.2. Implications for South Mediterranean countries

Main measurement efforts by MPCs for the monitoring of social cohesion policies have concentrated on the criteria established within the MDGs. Within the EU-Med context though the social dimension is attached a certain priority (as found in all official documents) and this requires some agreement and convergence as to the measurement of progress. Mainly, collaboration between the two-shores can contribute to a shared and wide understanding of social cohesion which is also translated into moves towards common indicators.

There is though a long way ahead to a consistent, balanced and widely-accepted portfolio of social cohesion in the Mediterranean region. The study of poverty and income inequality has been developed within the HD framework. It is now time to move ahead and work for the construction of a set of social indicators that is capable of capturing the multidimensionality of social cohesion as well as the particularities of the Mediterranean context.

The European experience shows that agreement among very different national realities may be facilitated if commonly agreed indicators are output indicators, rather than input indicators. From the start, it was realised that the diversity in welfare regimes, as well as in cultural and institutional features implied that pursuing greater social cohesion at EU level would very different policy strategies, and hence, attention was placed on common objectives. This is relevant for the Mediterranean experience, which

embodies national realities at different stages of economic development and democratisation.

Moreover, EU Laeken indicators have also been able of translating the multidimensional approach at conceptual level to measurable terms. The EU portfolio is also conceived in a dynamic manner. It has been reviewed in response to changes in the policy context (e.g., review of the Lisbon Strategy) and institutional construction (e.g., Enlargement) and has maintained its relevance, and in the meantime, some common understanding has also been built regarding policy formation.

Nonetheless, it is up to the national governments to decide whether to adopt them or not to measure performance towards greater social cohesion. In contrast to the European experience, there is no policy framework that embodies a common understanding to the underlying phenomena and that coordinates national social inclusion strategies. The EU-Med partnership can provide nonetheless a means for convergence by promoting politically agreed goals which apply at regional level, while adapting to national experiences through the National Action Programmes. At the national level, performance towards greater social cohesion can be assessed and monitored against national social inclusion objectives thanks to reinforced statistical systems, as somehow shown by the MDGs experience. Besides, while it is true that the social policy-making is ultimately developed at the national level, it is also true that MPCs miss the advantages in terms of mutual learning and collaboration.

Specific to measuring, under these circumstances, comparability based upon harmonised statistical sources and definitions shall be weak. Additionally, methodological problems may arise in terms of consistency. Depending on the adjustments introduced accounting for national circumstances, social cohesion may not be measured in a consistent and balanced manner. Besides, such adaptation may ensure responsiveness to national social cohesion strategies, but it may hinder reliability, as it cannot ensure that measurement is not subject to manipulation by national authorities. However, the EU-Med Partnership has a relevant role to perform in promoting consultation and discussion about the proposed set of indicators with national representatives and stakeholders. And at a technical level, in assessing whether national adjustments shall effectively reinforce or hinder the measurement power of the proposed set of social indicators.

In conclusion, the European experience in the measurement through commonly agreed social indicators is encouraging also for MPCs: it proves that complex concepts such as social cohesion and diverging national traditions can be brought together and build on a common and shared corpus of knowledge.

Some areas in the field of social indicators emerge for Euro-Mediterranean cooperation to proceed. For instance, it may be particularly interesting to cooperate in bringing into comparable terms existing statistical definitions and data collection procedures, while expanding the measurement capability of Southern Mediterranean countries to ensure the availability of social indicators for the dimensions of social cohesion. The measurement of convergence at the intra-regional level demands for reinforced cooperation in terms of measurement efforts. In this regard, the EU financed projects MEDSTAT I and MEDSTAT II<sup>32</sup> are already relevant steps in that direction.

---

<sup>32</sup> For further information see: <http://epp.eurostat.ec.europa.eu/portal/page/portal/medstat>

From the European experience, we realise that, increasingly, social issues require the disaggregation of data according to certain factors, such as gender, age as well as place of residence, not to mention educational level or occupational status. This is particularly relevant to monitor the need, definition and implementation of targeted measures for vulnerable groups. Hence, MPCs should reinforce survey data collection in order to gather reliable and timely microdata which are needed for calculating social indicators relevant to policy-making. Efforts such as the EU-SILC may be of particular relevance, in this area the EU can provide particular advice and guidance in view of the efforts undertaken for the development of the EU SILC and EU LFS, which are the main sources of data at the EU level providing micro datasets on a regular time basis that ensure representativity and comparability across countries. They are in turn accessible to the research community which facilitates the dialogue between academia and policy-makers by providing data for more evidence-based policies.

### **3.2. Data Analysis in Egypt, Morocco and Syria<sup>33</sup>**

This section is devoted to showing how Egypt, Morocco and Syria differ in terms of social indicators. This is achieved through analyzing the existing data (derived from the most recent international reports published by the World Bank, UNDP, as well as by national sources) through two major steps. The first one looks at some data, by assessing the comparison of means of the variables considered; while the second step is focusing on the trends affecting each of the variables over the period 2000-2008. A further step .

#### **3.2.1. Descriptive statistics and country comparisons**

The following table introduces the average values for education variables (literacy rate, enrolment in the primary school), health variables (HIV prevalence, health private and public expenditures, immunization rate, life expectancy at birth) and variables related to income (GDP, GDP growth, GNI per capita, employment and poverty). Data on these variables are introduced in the appendix. Statistical t-tests are then used to compare the means between each two countries under significance levels attaining 5 %. The results of these comparisons are introduced in the last column of the following table.

The results show that the three countries are not statistically different with respect to life expectancy at birth, to GDP growth and to HIV prevalent. Syria appears to be doing better than the two other countries in literacy rate with Egypt better than Morocco. Syria is also better than Egypt while this latter is not different from Morocco with regard to the measure of poverty. Egypt is performing better on both private and health expenditures, with Morocco and Syria being not different. Egypt is also doing better on the level of GDP, while Morocco and Syria attain similar levels. Morocco is better on employment, with Syria doing better than Egypt.

---

<sup>33</sup> This section draws on Driouchi (2009).

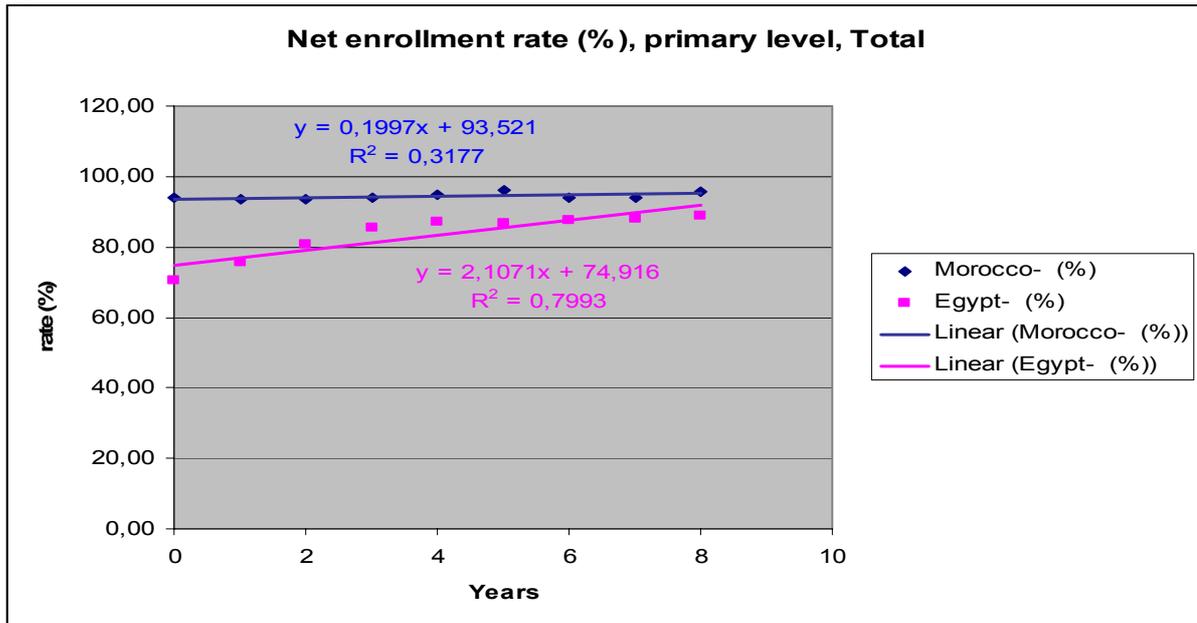
**Table 15: Comparison among Egypt, Morocco and Syria in terms of social results**

	Morocco	Egypt	Syria	Comparisons based on t-stat
<b>Literacy</b>	36.64	46.98	63.40	Syria better than Egypt better than Morocco
<b>Enrolment</b>	94.32	83.34		Morocco better than Egypt
<b>HIV prevalence</b>	0.08	0.07	0.08	Not different
<b>Health private</b>	3.33	3.73	2.08	Egypt better, Syria and Morocco not different
<b>Health public</b>	1.88	2.30	2.05	Egypt better, Syria and Morocco not different
<b>Immunization</b>	89.94	93.00	93.83	Morocco lower than Egypt and Syria that are not different
<b>Life expectancy</b>	68.04	67.83	71.90	Not different
<b>GDP</b>	41348192824.89	76496313230.22	18964576938.67	Egypt better than Morocco and Syria
<b>GDP growth</b>	3.67	4.39	5.17	Not different
<b>GNI</b>	2678.89	3552.22	3201.67	Egypt better than Syria that is not different from Morocco
<b>Employment</b>	42.14	45.71	46.35	Morocco better than Syria and Egypt
<b>Poverty</b>	18.50	16.10	20.28	Syria better than Egypt not different from Morocco

### 3.2.2. Trend analysis

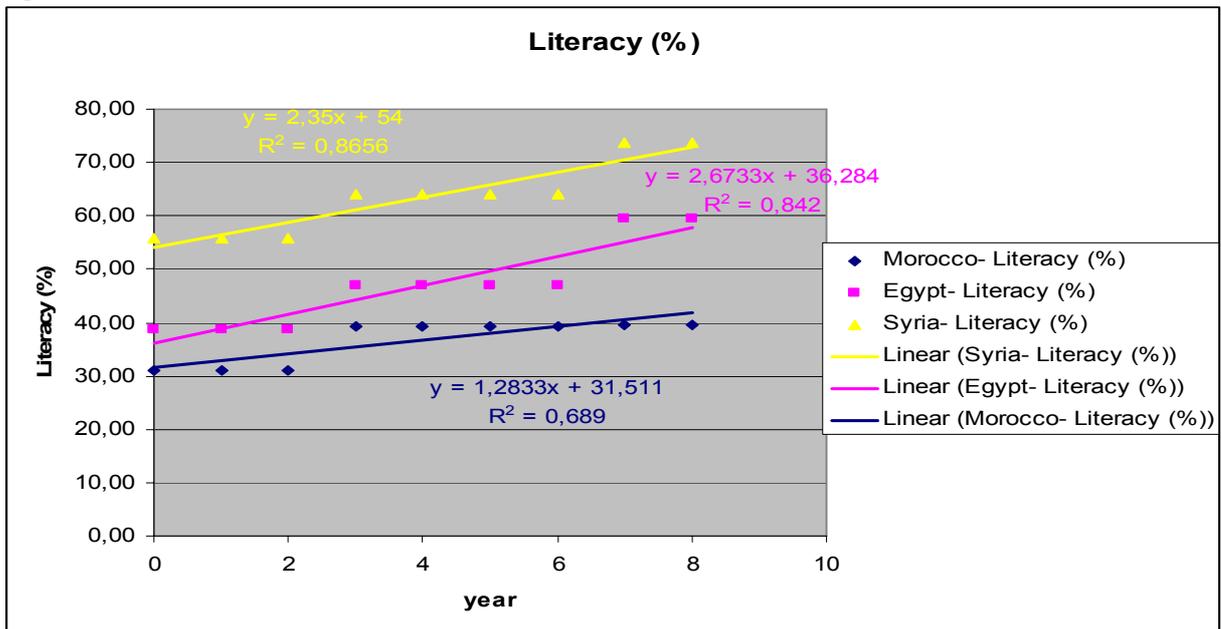
Using the same data as above, and according to what available considering the last 8, 10 or 18 years, trends has been estimated for each of the variables considered. The following graphs show the comparative trends achieved by each of the three countries with the retention of the coefficients that are statistically significant at the level of 5 %. At the end of the period, net primary enrolment rate appears to be stagnating at a higher level relative to the one of Egypt that has been increasing to attain that of Morocco. The following graph shows this trend.

Figure 2



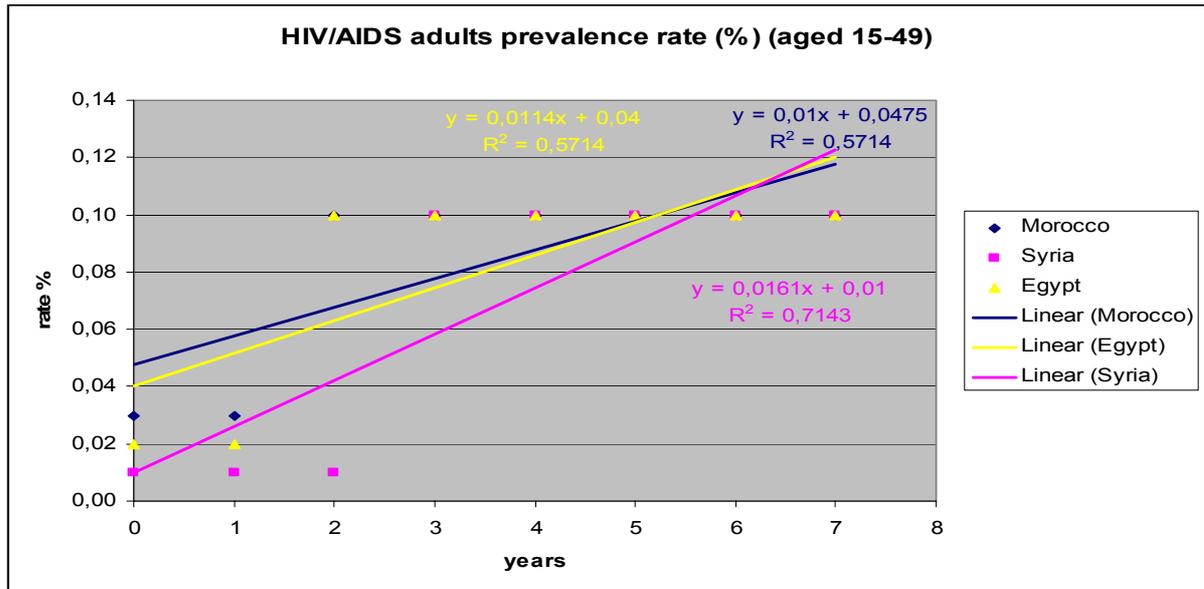
Literacy as shown in the following graph appears to be increasing over the last years with Syria having the highest attainment levels and trend. It is followed by Egypt and then by Morocco. This latter country shows a lower trend and a lower level of literacy rate over the period.

Figure 3



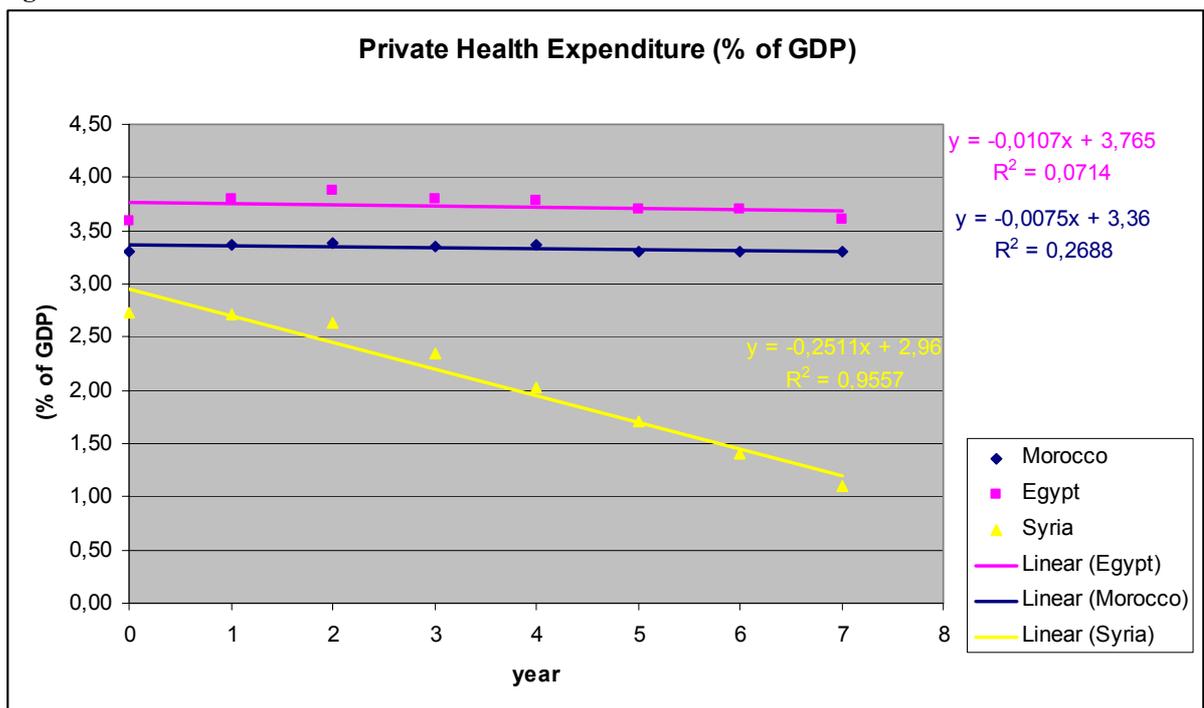
While HIV prevalence of 15-49 years of age, is low in the three countries, the trends are increasing for the three countries that attain currently similar levels as shown in the following graph.

Figure 4



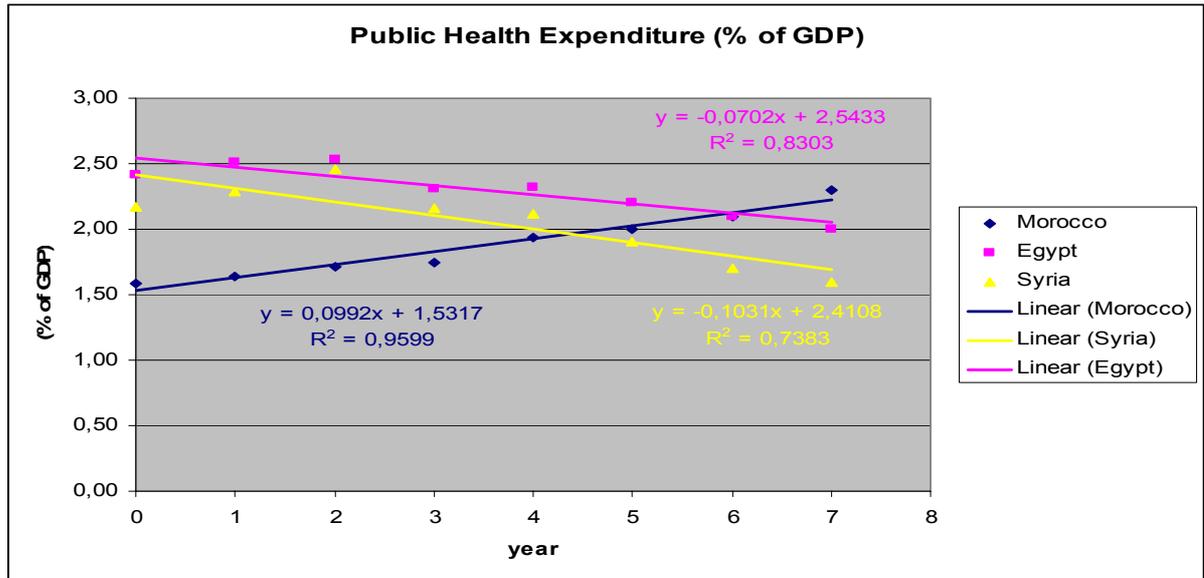
Private health expenditure appears to be showing decreasing trends for the three countries with a clear decrease expressed by Syrian data.

Figure 5



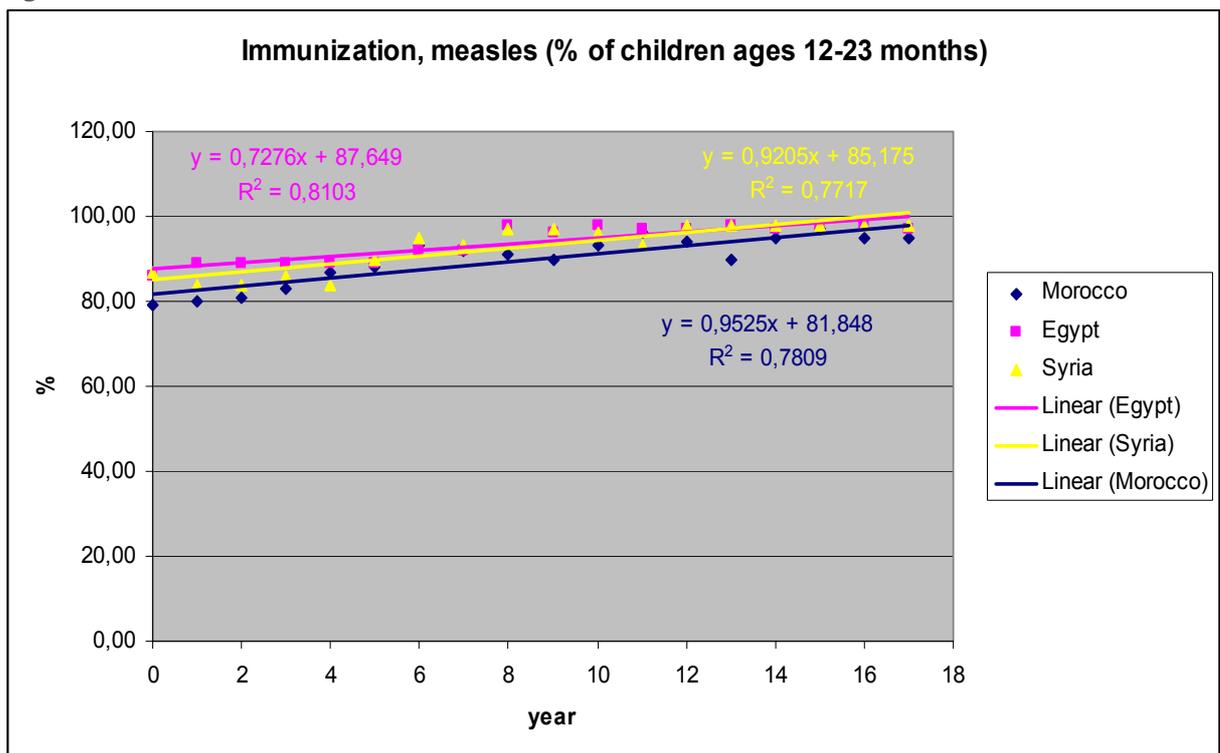
The same trend is expressed for public health expenditures except for Morocco where an increasing trend is observed.

Figure 6



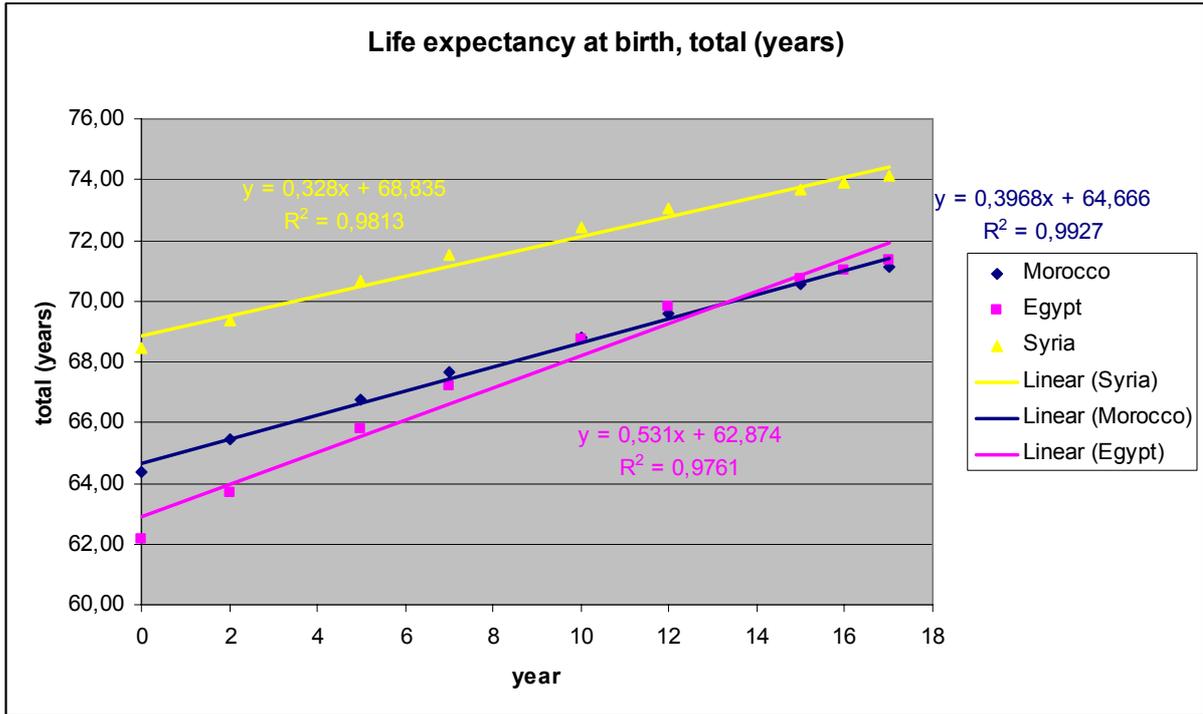
All the three countries show increasing trends in immunization of children aged 12 to 23 month. The following graph shows these trends.

Figure 7



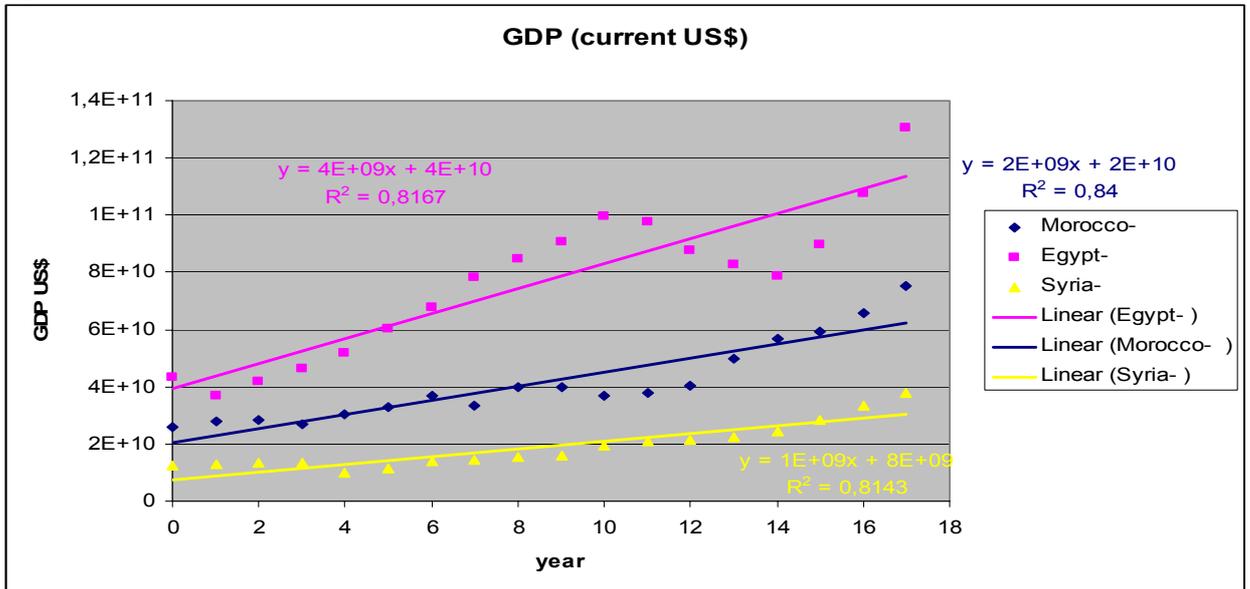
Life expectancy at birth, total (years) shows increasing trends over the period with Syria having the highest levels of attainments. Egypt is pursuing a clear path for increase and it may become with higher life expectancy than Morocco.

Figure 8



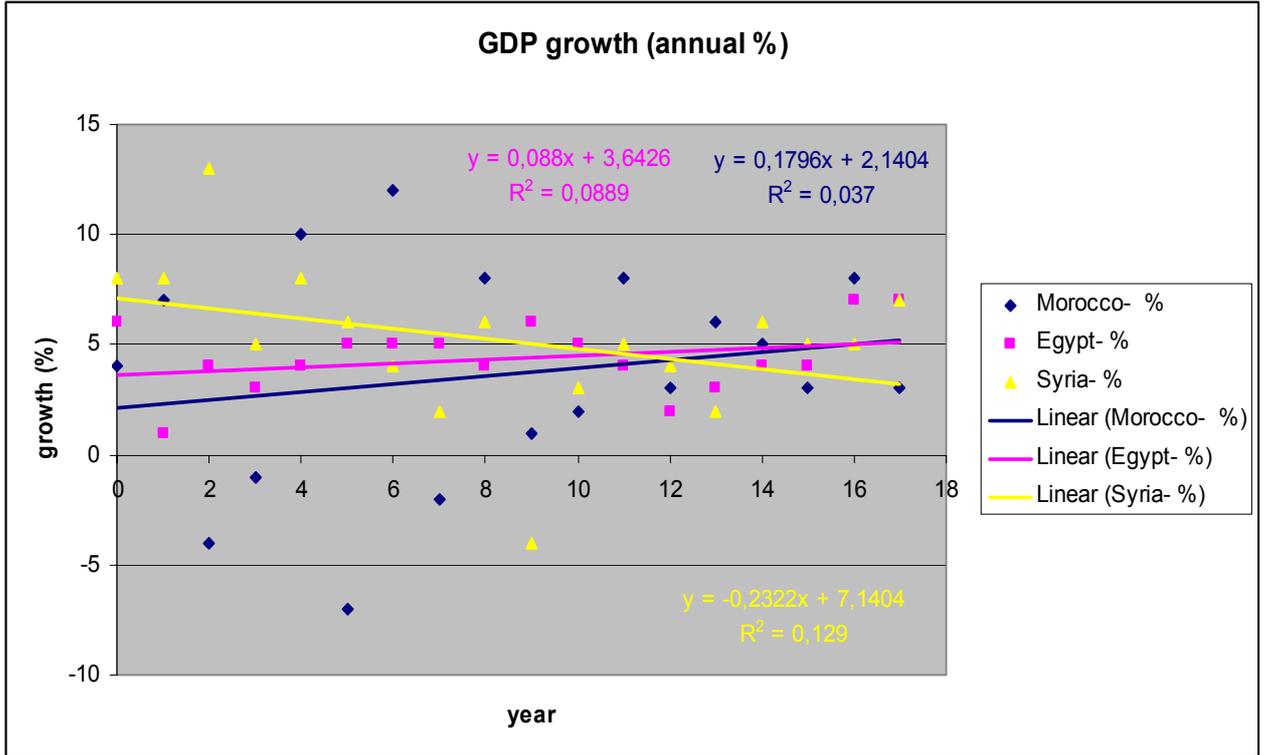
With regard to measures of income starting with GDP, the three countries appear to be expressing positive trends with Egypt occupying the highest level. It is followed by Morocco and the by Syria.

Figure 9



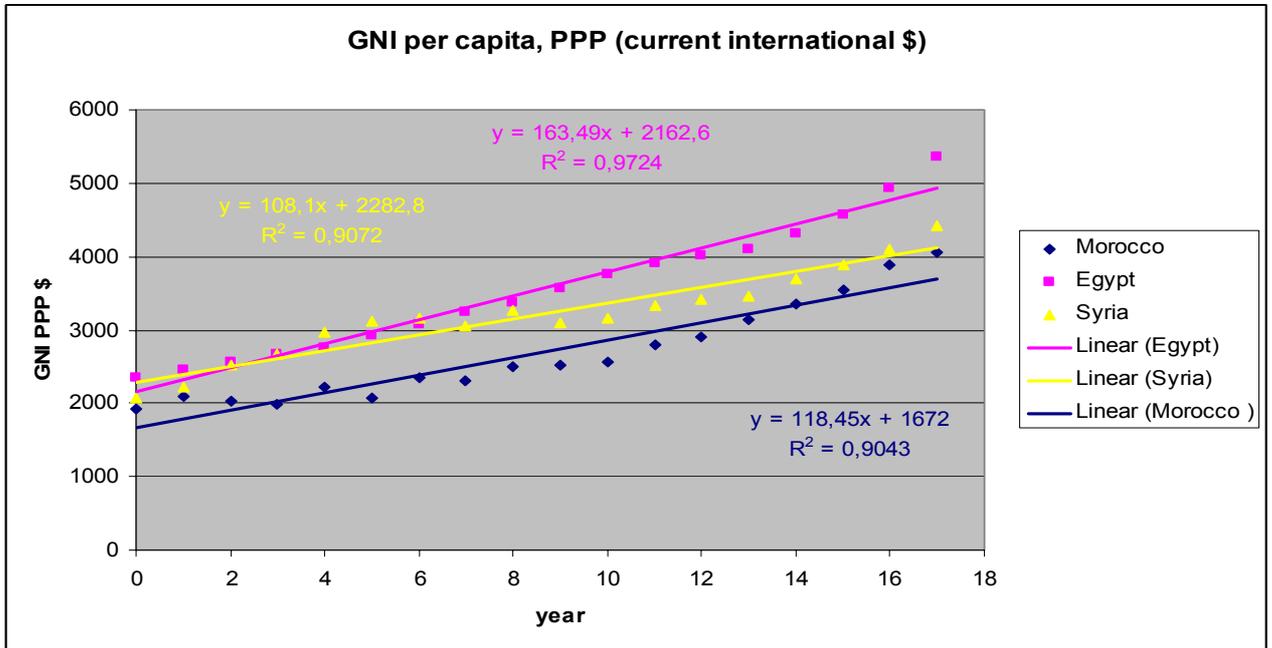
But, when looking at GDP growth, Morocco and Egypt appear to have had a slight level of increase. Syria shows a decreasing level of growth.

Figure 10



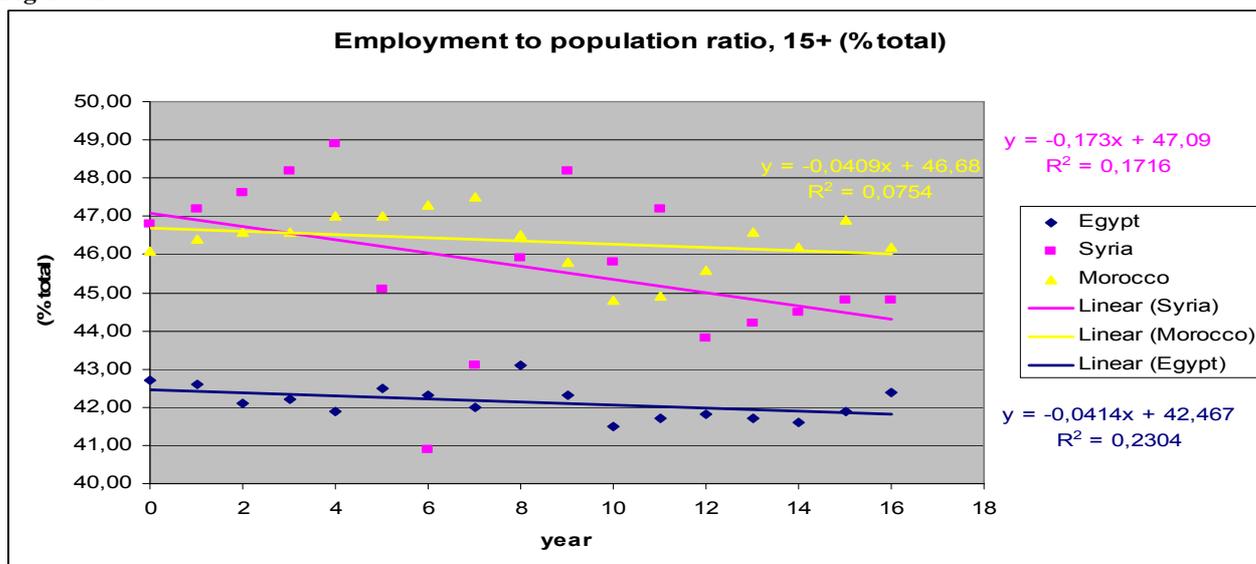
Under the above trends, the three countries have positive trends in GNI per capita with the highest levels and trends for Egypt. This followed by Syria and then by Morocco.

Figure 11



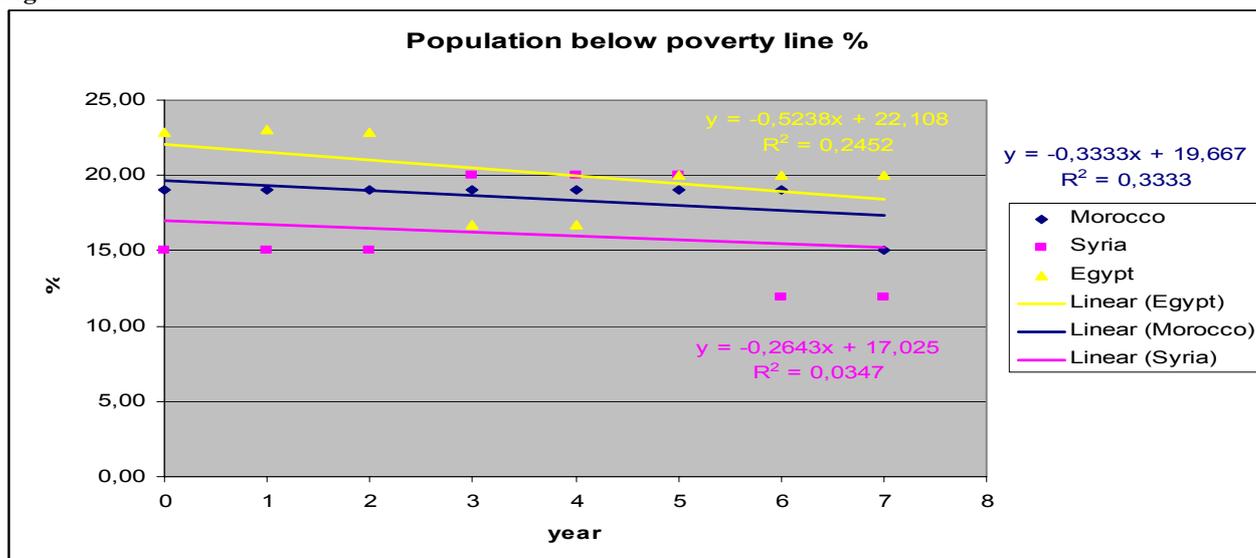
Employment appears to be decreasing for all countries. The trend is higher for Egypt but almost the same for Morocco and Syria with the former ensuring lower levels of employment.

Figure 12



Poverty as measured by the population below poverty line is decreasing at almost similar rates per year. But Syria seems to have had rates higher than 20 %, Morocco 20 % and Egypt 17 % at the beginning of the study period. They are now respectively at 18, 17 and 15 meaning that the poverty rates are still high.

Figure 13



### 3.2.3. Comparative analysis of progress in MDGs

Based on the Dashboard software developed by the International Institute for Sustainable Development (IISD) and the European Commission’s Joint Research Center (JCRC), the MDG outcomes have been introduced. The eight goals that are considered under the MDGs are respectively shown in appendix IV. The figures introduced in the appendix show the MDG progress for Egypt, Morocco and Syria. They are shown starting with the most recent attainment with years 2000 to 2006. Similar results are shown for three European countries for the same period 2000 to the most recent year. The countries are France, Greece and Italy. According to the color code defined for the graphs (deep red: critical and deep green: excellent), the graphs in the appendix can be read and interpreted qualitatively.

**Table 16: Qualitative Comparisons of progress in MDGs (most recent and 2000-2008)**

	Critical most recent	Excellent most recent	2000-2007 progress
Egypt	Global partnership for development Gender equality HIV reduction Environmental sustainability	Universal primary education Child mortality	Progress in all components
Morocco	Global partnership for development but better than Egypt and Syria Gender equality but better than Egypt and Syria Environmental sustainability	Universal primary education but lower than Egypt and Syria Child mortality but lower than Egypt and Syria Extreme poverty eradication	Progress in all components Major progress in Extreme poverty eradication
Syria	Global partnership for development Gender equality Environmental sustainability	Universal primary education Universal primary education Child mortality Maternal health little better than Egypt and Morocco	Progress in all components Major progress in Extreme poverty eradication
France	Gender equality	All components except gender	Progress in most components
Italy	Environmental sustainability		
Greece	Global partnership for development Extreme poverty Gender equality	All other components except the critical ones	Progress in each component

Source: Dashboard IIC and CJRC, 2009

The above table shows that have been major achievements during the period 2000-2008 but there are areas where further efforts are expected.

### 3.3. Fuzzy sets in Europe and Morocco and Egypt<sup>34</sup>

#### 3.3.1. Introduction

Empirical research on social cohesion policies is needed to throw evidence for the definition of social policies within the EU and within the Euro-Mediterranean partnership.

There has been growing research that addressed the role of social cohesion policies (see for instance Daly, 2007 and McGinn, 2008) However, social cohesion policies are difficult to assess with standard quantitative techniques, since they cannot handle the vagueness and the multidimensionality of the underlying concept, social cohesion, in a

<sup>34</sup> This section draws on Estruch-Puertas (2009b).

systematic way. They fail, for instance, to capture the interconnectedness among the various dimensions of social cohesion.

Fuzzy sets theory overcomes these drawbacks since it enables multivariate analysis on the basis of generalisations of set-theoretic operations (Smithson and Verkuilen, 2006). Fuzzy sets allow for gradual transition from one state to another while also allowing one to incorporate rules and goals, they are then suitable for modelling concepts and outcomes characterised by ambiguity and vagueness. In particular, the fsQCA ideal-type approach (Kvist, 2003, 2006) is relevant in the case of social cohesion policies, where we find strong indication of causal heterogeneity, for which there may be different causal pathways leading or converging to similar outcomes.

The present research applies this methodological approach to assess social cohesion policies of health care and education in EU Member States (MSs) – in particular EU15, and Mediterranean Partner Countries (MPCs) – in particular Morocco and Egypt. To our knowledge, such an exercise has not been yet carried out. It can provide interesting insights in terms of conceptual and more theoretical debates but also at the policy level. There is limited data availability for many of the dimensions to social cohesion policies in the sectors of health care and education. This is especially true for Southern Mediterranean countries, where the social cohesion approach *à l'Européenne* is not rooted in the social policy debate and the Human Development (HD) approach has underpinned most of the latest policy initiatives in the sectors of interest. Our focus on the education and health sectors provide us with a useful connection to the HD approach, which is grounded in the MPCs debate. Constraints as to the comparability of similar indicators between EU MSs and MPCs have been taken into consideration, since different definitions and methodologies may be applied. As expected, we find significant differences between EU MSs and MPCs, but there are also interesting patterns of qualitative and quantitative changes across countries over time. Measurement limitations demand however for some caution in the interpretation of the results. Therefore, the analysis is explorative.

### 3.3.2. Fuzzy Sets Analysis

The notion of fuzzy sets was first conceptualised by Lofti Zadeh (1965), and marked a milestone in research dealing with uncertain and ambiguous issues. Fuzzy sets were defined as a 'class of objects with a continuum of grades of membership'. Fuzzy sets allow for partial membership and hence we can model gradual transition from a state of full membership to one of full non-membership.

Earlier applications of this approach applied to science and engineering, but it has gained progressive relevance in social research, especially thanks to Charles Ragin (2000, 2008) with the development of the fsQCA<sup>35</sup>.

Recognising the limitations of both qualitative and quantitative techniques in the field of social science, Ragin (2000) identified a third methodological way in-between: the

---

<sup>35</sup> While a more in-depth discussion goes beyond the scope of the present paper, it is worth noting the strong potential of fuzzy sets in the measurement of complex concepts with strong policy relevance. In particular, fuzzy sets have been applied to the measurement of poverty at the micro-level (see Lemmi and Betti, 2005; Lelli, 2001) and of Sen's capabilities approach using HD data (see Balamoune-Lutz, 2004).

so-called fuzzy-set Qualitative Comparative Analysis (fsQCA). FsQCA is a comparative approach which draws on causal linkages for small-N research designs but not at the expense of complexity in cases and causes.

FsQCA seems particularly appropriate given that social phenomena are typically characterised by causal complexity: concepts cannot often be explained by a single aspect or feature but they rather need an explanatory approach that combines multiple dimensions. In fact, in commonly applied regression techniques focus is on variable-centred causality and hence the complexity observed each of the cases under observation. Further, social science research applying qualitative methods benefits from direct linkage of theory to specific cases and exploits all the range of variables but has limited explanatory capacity. Hence, these limitations can be overcome applying fsQCA, where the aim is to retain the individual identity of the various cases under study throughout the analysis; and, for that, focus is on combinations of variables present in each case.

The underlying idea of fsQCA is to identify causal configurations, or combinations of causal conditions, of a certain social phenomenon. For each case (e.g., a country), fsQCA looks at the existing combinations of variables. In this process, particular attention is placed on theory and contextual information which are used to define the sets and also to reduce the variation of these sets to what is relevant from a theoretical viewpoint. Thanks to this direct connection between theory and empirics, we ensure that the causal complexity is kept: the causal variables are not analysed in isolation, but in relation to each case's score on the other variables of the analysis. Therefore, fuzzy sets are not conventional (dichotomic) variables, as they are defined based on qualitative anchors (which relate in turn to substantive and theoretical knowledge). The value attached to each case (membership score) is determined according to these qualitative thresholds derived from the conceptual framework. This is why we can say that fuzzy sets simultaneously combine qualitative and quantitative elements: they include qualitative boundaries and allow for quantitative variation within them (Ragin, 2000).

Focusing on the field of welfare state and social policies analysis, Ragin (2000) recalls the usual problem of multicollinearity that characterises much of this type of research. Ragin argues that the fuzzy-set approach arises as a solution to this issue. When independent variables are strongly correlated, it is often difficult to obtain robust and reliable results about the power of independent variables in explaining variation in the dependent variable. Under a fuzzy-sets framework, researchers focus on cases and it is then possible to systematically assess the limited diversity among them such that causal conditions can be derived. The different kinds of cases, even if of limited diversity, provide the basis for "identifying the simplifying assumptions that are often embedded in empirical generalisations" (*ibid*, p. 290).

Within this stream of analytical research, Jon Kvist (2003, 2006) develops a fuzzy set framework for the assessment of social policy change. In fact, assessing diversity is one of the main challenges for comparative social research, because the objects of interest (e.g., welfare state, social policy instruments) present similarities but also they can differ significantly across time and place, which implies both quantitative and qualitative differences (Daly, 2000). Therefore, research methodologies applied should be sensitive to variation and to contextual information and be driven by clear conceptual and theoretical guidelines. Kvist (2003, 2006) argues that fsQCA provides

an innovative solution in this regard because it exploits substantive theoretical knowledge and statistical information. More specifically, this approach allows for assessing simultaneously both qualitative changes (or changes in kind) and quantitative changes (or changes with regard to the degree of membership) across different types of social policy and within each of them (identifying convergence or divergence patterns). In turn, this can be used for creating typologies and assessing the conformity of cases to ideal-types. The various conceptual dimensions of the phenomenon of interest (property space) can be treated as the boundaries of combinations of sets as ideal-types.

There has been a growing interest among researchers in fuzzy sets analysis for social policy analysis. For instance, Kvist (2003, 2006) applied fsQCA to identify *weberian* idealtypes of child care programmes and unemployment benefits in the context of welfare states in Northern Europe. More recently, Jansova and Venturini (2009) used ideal-type fuzzy set analysis to classify minimum outcome schemes applied across EU countries. Likewise, Szelewa and Polakowski (2008) applied this approach to child care policies in Central and Eastern Europe.

The researcher has then to first define the property space or conceptual framework that underpins the subsequent empirical analysis. Once the main theoretical dimensions have been established, measurement is to be addressed. This implies finding suitable indicators for each of the dimensions. Then, based on substantive and theoretical knowledge, the researcher converts raw indicators into fuzzy sets through a calibration. This process is characteristic of the fuzzy sets approach as it connects theory with empirics and quantitative with qualitative aspects. Fuzzy sets calibration requires that the researcher draws on theory and substantive knowledge in order to ensure that the empirical analysis goes hand by hand with the conceptual framework. Based on that, the researcher sets three thresholds which correspond to three qualitative anchors:

- 'Fully in' corresponds to membership score 1.00 (i.e., full membership); it represents a reference threshold according to which any variation above it is meaningless for the analysis.
- 'Fully out' corresponds to membership score 0.00 (i.e., full non-membership); it represents a reference threshold according to which any variation below it is meaningless for the analysis.
- 'Cross-over' corresponds to membership score 0.50 and it is the point of maximum ambiguity between membership and non-membership. Cases pass from 'more in than out' (i.e., from 0.51 to 0.99) towards 'more out than in' (i.e., from 0.49 to 0.01), and *vice versa*.

Taking these three values into account, the membership scores are assigned depending on the original value of each indicator of the case. As results, the researcher has transformed the original data into fuzzy sets.

Using fuzzy-set algebra we can then assess complex combinations of sets and establish the relationship between theoretical ideal-types and empirical cases. Fuzzy algebra would operate with a similar logic to that of the sets-theory. There are three basic operations: logical *and*, negation, and logical *or*. We focus on the first two since are the ones applied in the present analysis.

The logical *and* corresponds to the intersection of two or more sets. In the case of fuzzy sets, the minimum value rule is applied, which implies that for a collection of sets we take the lowest membership score achieved by any of them. For instance, if we have sets *A* and *B*, and a case with scores 0.70 and 0.30 respectively, and we analyse their intersection,  $A*B$  (\* denotes intersection or and), then the membership score of the case is 0.30 (See Ragin, 2000, p. 173).

As regards to negation, it implies that the fuzzy membership of a case in set *not-A* (or  $\sim A$ ) is equal to  $(1 - A)$  (See Ragin, 2000, p. 172). In the analysis of social policies based on ideal-type fuzzy sets, the negation is a very useful operator. For instance, if we have fuzzy sets for welfare generosity, we can analyse the membership of welfare non generosity. If a case would then have a membership score worth 0.6 to the set of generous welfare, the corresponding score to the set of non-generous welfare would be 0.4 (Kvist 1999).

Next steps involve the evaluation of membership degrees in the defined conceptual space. The latter is theoretically defined as all logically possible combinations of full membership and non-membership in the sets or conceptual dimensions comprised within the conceptual framework. The number of logically defined configurations equals to  $2^k$  where *k* stands for a number of dimensions. In practice, the researcher compares empirical evidence with each combination representing an ideal-type and selects the instance with the highest membership. However, and especially in social science, it is probable that some ideal-types may not be found at the empirical level, because there may be contradictory or unfeasible configurations of the dimensions constituting the social phenomenon of interest (Ragin, 2000).

Given the vagueness or fuzziness attached to the concept of social cohesion, the fuzzy sets framework is particularly adequate to the analysis of social cohesion policies in the sectors of education and health care. The impact on social cohesion can be better defined in terms of degrees of membership (rather than with a dichotomic variable). Besides, education and health interact with a wide range of factors and social cohesion itself entails a large combination of societal phenomena. In such contexts, focusing solely on correlations between single variables for education/health and social cohesion is not suitable, as they might not always imply causality. It is more likely that the whole institutional set what constitutes the effect of education on social cohesion. One may think that qualitative analysis would be rather adequate, but qualitative analysis faces problem of Small N (there are limited possibilities of providing a comprehensive description of an extended number of cases). Overall, applying fuzzy sets appears as an appropriate approach to examine changing patterns in social cohesion policies across countries.

### 3.3.3. Empirical Analysis

Our empirical objective is to assess whether different causal recipes (different policy approaches) lead to similar outcomes (enhanced social cohesion).

Specifically, in the present paper we intend to maximise the existing research based on fuzzy-set analysis with the existing evidence on social cohesion policies. For that, we focus on the EU15 countries plus two MPCs (Morocco and Egypt). As in Ragin (2000, p. 291), we accept the view that the cases included in the analysis are the set of relevant cases to the research question. Actually, EU15 countries represent the core of the EU

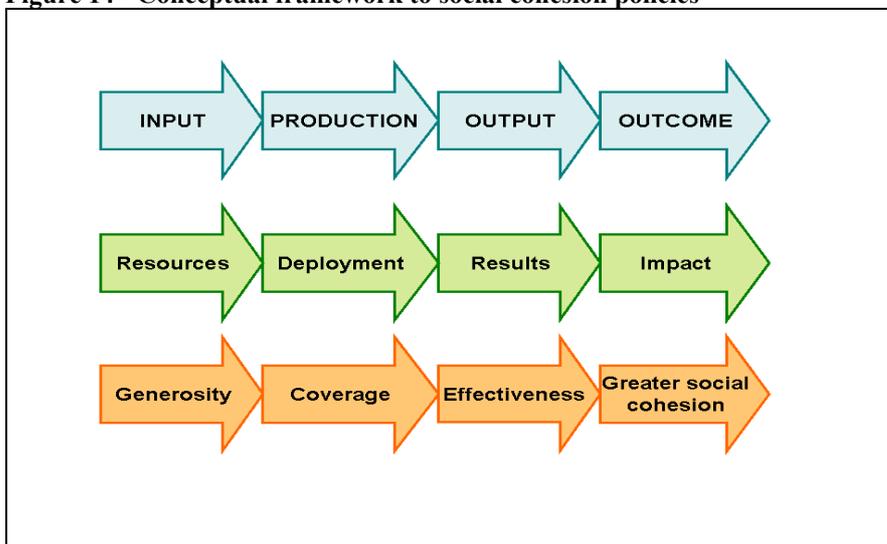
integration project and Morocco and Egypt are good examples of two different MPCs experiences, on the basis of which may identify convergence and divergence patterns. We note that our focus more on describing changing patterns, which may reflect policy choices by governments rather than in providing detailed contents of each country's policies. For this purpose, the fuzzy set configurational approach seems most appropriate, since it allows finding out to which ideal-type each case belongs to as well as its degree of membership of the various possible combinations. We shall be able to determine both qualitative and quantitative changes over time:

- *Quantitative change*: case's membership of an ideal-type changes over time - degree of membership change
- *Qualitative change*: case shifts from having membership of one ideal-type to another

### 3.3.3.1. From concepts to indicators

Drawing on previous research by Jansova and Venturini (2009), we refer to the model by Hill and Bramley (1986<sup>36</sup>) to welfare production as starting point for our conceptual framework. Hence, we can identify four relevant dimensions for the achievement of greater social cohesion; namely: inputs, production, output and outcome (see figure 1). In a few words, inputs refer to the resources allocated to the policies; production applies to how these resources are distributed through policy instruments; outputs would be the immediate results in terms of services or products which have been delivered; and the outcome refers to the effect or impact of the policy. Based on this, we can simultaneously assess, for each of the two sectors of interest (health and education), the policy instruments and their linkages with both inputs and results in terms of sectoral policy and in terms of pursuing greater social cohesion (see figure 1).

**Figure 14 - Conceptual framework to social cohesion policies**



Next, we move to the operationalisation of these concepts through indicators. We run separate analyses for the two sectors under study to capture better sectoral dynamics. Nevertheless, since the same analytical framework is applied to each of them we can also derive cross-sectoral implications from the exercise. We have left out of this

<sup>36</sup> See also Vogel and Theorell (2006).

analysis interaction effects between education and health care in terms of policy-definition (i.e., inputs) and implementation (i.e., production).

For each dimension, we identify a certain type of indicator, which is then adapted to sectoral specificities (while accounting as well for constraints posed by data availability). As regards to resources, we concentrate on how much is devoted to the policy in relation to overall government expenditure. We prefer this type of indicator to one that measures investment in that policy sector as to GDP. Since we are dealing with countries at different development stages, our focus is towards the propensity to invest in social cohesion-oriented sectors within the overall amount of public spending, no matter how large is the size of public spending as to GDP. In terms of production, we look at how the resources are deployed. Given our focus on social cohesion and education and health care, we look at the human resources. Social cohesion has a lot to do with inter-personal relationships and hence we focus on indicators that not only measure how extensively resources are deployed but also capture the important role performed by teachers and physicians in the delivery of educational/health services<sup>37</sup>. We translate the output dimension into operational terms through an output indicator relevant to the sectoral policy under observation which covers both access and coverage (see next).

Finally, given that we are interested in assessing how policies may contribute to enhance social cohesion, we include an indicator for the outcome dimension. Contrary to the other three dimensions, for the outcome, we establish the same indicator for both education and health. For simplicity and given data at disposal, we measure social cohesion through the combination of two aspects: on the one hand we need to capture the EU goal to move towards a knowledge based society, where access to employment is attached a central position as means to societal participation; while, on the other hand, the EU also demands for preventing growing inequality. Therefore, we create an index composed of the unemployment rate and the Gini coefficient.

It is worth emphasising that the selection of the indicators has been significantly affected by data availability in the two MPCs. There were several criteria to be satisfied: relevance to the conceptual dimension, availability of more than one observation over time (to capture changes), availability for all countries, and comparability. Given these factors, international datasets and rather aggregated indicators have been privileged. Main sources have been then: for education, we have relied on the Unesco dataset (*Education for All*, 2009) and for health, we have used the WHO dataset (WHOSIS, 2009). When some variables were missing for some years, we looked through the reports of these same institutions.

As regards to the outcome index, the problem of the reliability of data for the Gini coefficient is another reason for preferring a composed index to measure the outcome. Actually, inequality is a broader concept than absolute poverty as it is defined over the whole distribution, not only the censored distribution of individuals or households

---

<sup>37</sup> We recognise that this type of indicator may mask divergences across regions and schools while it may not adequately account for teaching methods within the schools (part-time teaching, multi-grade classes, teaching in shifts). However, available statistics do not allow for finding information to adequately account for these aspects. Besides, we focus here on macro-level elements of educational policy (see also Mayer and Peterson, 1999). These observations also apply to certain extent to the indicator for production applied to the analysis for health policies, that of physicians' density.

below a poverty line. Unfortunately, very little is known about the details of relative poverty and inequality for the MPCs. Data on horizontal poverty and its severity are almost nonexistent in many economies, and this is a serious limitation to any effort to analyse in comparative terms the challenging issues of alternative choices on the use of public expenditures for social sectors such as education and health. The Theil-index of inequality – which has the advantage over the more known Gini coefficient of being additive across different subgroups or regions in the country, so that it can be more easily decomposed in between- and within-group components – could give useful information, but it is not available. Information that may be very useful to test the effective impact of alternative mechanisms (universalistic systems versus direct cash payments to the poor) on the horizontal stratifications of poverty.

The outcome index we have constructed is based on indicators from two sources. The unemployment rate is that estimated within the MEDSTATATA II programme (Socio-economic database, 2009), while the Gini coefficient is obtained from Eurostat (for European countries) and from UNDP (for Egypt and Morocco). The period of time covered is the 2000s, we have two observations for each indicator (1999-2002 and 2006/2007). The set of countries is the EU15<sup>38</sup> and Egypt and Morocco.

The following tables present the indicators used for each of the two sectors under analysis.

**Table 14 – Indicators for Education**

<i>Question</i>	<i>Concept</i>	<i>Indicator</i>	<i>Definition</i>
How important is education policy within the social policy framework?	INPUT	Education expenditure	Total public expenditure on education as % of total government expenditure
How important is the deployment of teachers' to primary education within the education policy framework?	PRODUCTION	Pupils/teachers ratio	Pupil/teacher ration in <i>primary education</i> based on headcounts of students and teachers
Which are the services produced in terms of access and attainment?	OUTPUT	School life expectancy	Total number of years of schooling which a child of a certain age can expect to receive in the future, <i>assuming</i> that the probability of his or her being enrolled in school at any particular age is equal to the current enrolment ratio for that age. <sup>39</sup>
How education is translated into access to employment in a context of knowledge-based society?	OUTCOME	Unemployment and Inequality	Index of Unemployment rate and Gini Coefficient
Source: UNESCO/EFA, 2009; except for the outcome: for unemployment is the MEDSTATATA dataset (Eurostat) and for Gini coefficient we use data from Eurostat for EU countries and from UNDP for Egypt and Morocco.			

<sup>38</sup> We take EU15 since they represent the core countries in the integration process. We recall that Lisbon agenda and related objectives in terms of social cohesion, as well as monitoring instruments, were established before the latest enlargement rounds. The EU15 represent still a reference point towards which new Member States, Accession countries and Neighbouring partners are expected to look at. We acknowledge as well that there are also parsimony and data availability reasons for limiting the set of countries. We leave for further research to expand the set of countries to all EU Member States and to other Mediterranean countries or partner countries in the Eastern Neighbourhood.

<sup>39</sup> For further information see: [http://www.uis.unesco.org/i\\_pages/indspec/tecspe\\_sle.htm](http://www.uis.unesco.org/i_pages/indspec/tecspe_sle.htm)

The first two columns report the conceptual dimension the indicator is supposed to cover, while the other columns briefly describe the indicator used. For instance, the indicator for output in education is the School Life Expectancy, which is an indicator estimated by the Unesco on the basis of data on school enrolment and attainment. Similarly, we have found an indicator that addresses the corresponding dimension in the health sector: healthy life expectancy.

**Table 15 – Indicators for Health**

<i>Question</i>	<i>Concept</i>	<i>Indicator</i>	<i>Definition</i>
How important is health policy within the social policy framework?	INPUT	Health expenditure	Total public expenditure on health as % of total government expenditure
How important is the deployment of doctors within the health policy framework?	PRODUCTION	Physicians ratio	Pupil/teacher ration in <i>primary education</i> based on headcounts of students and teachers
Which are the services produced in terms of access and attainment?	OUTPUT	Healthy life expectancy	Average number of years that a person can expect to live in "full health" by taking into account years lived in less than full health due to disease and/or injury. (*)
How health is translated into access to employment in a context of knowledge-based society?	OUTCOME	Unemployment and Inequality	Index of Unemployment rate and Gini Coefficient

Source: WHO WHOSIS, 2009; except for the outcome: for unemployment is the MEDSTATA dataset (Eurostat) and for Gini coefficient we use data from Eurostat for EU countries and from UNDP for Egypt and Morocco.

**Table 16 – Descriptive statistics: Indicators for Education**

Variable	Identifier	Mean	SD	Min.	Max.	Cases	Missing
Education expenditure	g2e99	15.31	2.35	8	18.80	17	0
	g2e06	15.52	1.855	10.20	17.60	17	0
Pupils/teachers ratio	re99	16.50	4.68	10	28	16	1
	re06	14.930	4.750	10	27	15	2
School life expectancy	qle99	12.71	4.29	7	25.70	16	1
	qle06	12.68	4.08	9.20	27.20	16	1
Outcome	ug00	18.34	3.57	12.75	26.45	17	0
	ug07	18.29	2.93	14.40	24.90	17	0

**Table 17 – Descriptive statistics: Indicators for Health**

Variable	Identifier	Mean	SD	Min.	Max.	Cases	Missing
Health expenditure	g2h99	12.71	3.25	4	18	17	0
	g2h06	14.53	3.52	5	18	17	0
Physicians density	rh99	29.02	8.69	4.60	42	17	0
	rh06	32.24	9.19	5	50	17	0
Healthy life expectancy	qlh02	69.944	3.96	59	73	17	0
	qlh07	71.294	3.86	60	74	17	0
Outcome	ug00	18.344	3.57	12.75	26.45	17	0
	ug07	18.2854	2.93	14.40	24.90	17	0

### 3.3.3.2. Calibration: from indicators to fuzzy sets

As mentioned in section two, calibrating involves the transformation of raw indicators into fuzzy sets. Methodologically, it is a very important step and there are various procedures that can be adopted. Here, while setting the same guiding criteria, we combine different ways of determining the anchors as we take into full account the conceptual dimension captured by each indicator and the methodological aspects linked to the indicator itself. In this process, we bear in mind the relevance as to the analysis of social cohesion policies, the definition and measurement aspects linked to the empirical indicator, as well as statistical issues such as the distribution and the sample statistics.

#### 3.3.3.2.1. Calibration of Education

The following criteria have been adopted for the four indicators applying to education policies. We have first reviewed relevant literature on education and social cohesion as well as to information from the Unesco report “Education for All” to check the distribution of the indicator at world level. Second, the EU policy framework to education to promote greater social cohesion is also taken into account. And third, when necessary, the thresholds identified have been fine-tuned looking at the descriptive statistics of the sample and distribution of the cases.

*Indicator INPUT: set of generous education policies*

At the EU level, policy cooperation in the social field is pursued through soft coordination mechanism (Open Method of Coordination). It focuses on common objectives and output indicators, while leaving full competence to governments to determine the instruments and the allocation of resources. Hence, there is no EU level benchmark as to the distribution of social expenditure. Nor MENA countries have any reference target as to resources. Then we look at the theoretical literature. In Hudson and Kuhner (2009), who apply fuzzy sets to welfare analysis, we realise that if equal emphasis of education as to other social policies (health, social security, social care, housing), then 20% of total government expenditures. We adopt this as the fully in

threshold, and we set 10% as the fully out, and 15% as cross-over point. We expect MENA countries to invest relatively more in education, as they would need more investments to move towards a knowledge society.

*Indicator PRODUCTION: set of extensive education policies*

In the Unesco report *Education for All 2005* (Unesco, 2005, pp. 240-241), a focus was placed on quality in education systems, and it paid particular attention to the role of teaching staff in the delivery of education. The number and distribution of teachers are an important aspect of how educational policy is implemented and which results may be capable to achieve. In general, low levels of teachers to pupils would indicate that the teachers are overstretched and, from a social cohesion point of view, this may come at the expense of educational performance in terms of quality but also in terms of equality in access and results (especially for disadvantaged students). Based on worldwide values and the dataset distribution, we set the following thresholds for the pupils-to-teachers ratio: fully in is set at 10 pupils-to-teacher, while fully out is at 30 pupils. The cross-over is in between at 20 pupils-to-teacher.

*Indicator OUTPUT: set of effective education policies*

As stated above, we use the indicator School Life Expectancy calculated by Unesco to operationalise the output indicator. In order to transform the values into a fuzzy set of effective education policies we look at the worldwide values of the indicator while bearing in mind the EU benchmarks as to Education and Training. Specifically, we use the EU benchmark of '85% of 22 year-olds should complete upper secondary education'<sup>40</sup> as upper threshold. In fact, this target implies that students complete at least 16 years of education. On the one hand, by looking at the worldwide distribution of Unesco data, we realise that for levels below 7 years, the levels of educational enrolment and attainment come together with poor opportunities for societal development (see also Suárez-Orozco, 2007, p. 200). Whilst, the cross-over is set at 11 years, bearing in mind the time required to at least complete compulsory education (which is typically associated to the achievement of universal access to primary education).

*Indicator OUTCOME: set of social cohesion*

In order to set the qualitative anchors for the outcome set, we look at the two dimensions of the outcome index separately first and then re-compose them back into a joint threshold. Specifically, looking at the labour markets literature in economics we realise that the natural rate of unemployment or frictional unemployment rate would be around 4 percent. We set it at a slightly stricter level, i.e., 3.5. As regards to the fully out, we assume that unemployment rates higher than 10 percent are deemed too high in standard policy-making and especially when considering the social tensions that arise as unemployment reaches those levels. On the other hand, the Gini coefficient's thresholds are established according to the distribution of inequality worldwide. For that we look at the estimated values for inequality across world countries and we take the 10<sup>th</sup> percentile as the fully in anchor, worth 27.75, while the 90<sup>th</sup> percentile as fully out (53.39). The crossover point is established at 34.05 (66<sup>th</sup> percentile), bearing in mind the typical distribution of this index. More specifically, we determine the cross-over above the 50<sup>th</sup> percentile to account for the fact that we refer to an European-approach to social cohesion and EU countries concentrate on the top of the distribution. As in the construction of the outcome index, we assign equal weight to the two dimensions

---

<sup>40</sup> See: European Official Journal C 142/01 of 14/06/2002.

(unemployment and inequality) so that we obtain the composed thresholds, which would be the following: cases with 15.62 or less in the outcome index will be scored 1.0 (fully in membership score), while cases with 31.80 or more will be assigned 0.0 of membership score (fully out). The cross-over point is established at 20.02.

Table below summarises the qualitative anchors applied to the corresponding indicators.

**Table 20 – Qualitative anchors: Education**

<i>Membership scores</i>	<i>Verbal Qualifier</i>	<i>Indicator INPUT: set of generous education policies</i>	<i>Indicator PRODUCTION: set of extensive education policies</i>	<i>Indicator OUTPUT: set of effective education policies</i>	<i>Indicator OUTCOME: set of social cohesion</i>
1.0	Fully in	20	10	16	15.62
0.5	Cross over	15	20	11	20.20
0.0	Fully out	10	30	7	31.80

The table below presents fuzzy sets scores for each country in each dimension of education.

**Table 21 – Fuzzy sets: Education**

Country	INPUT		PRODUCTION		OUTPUT		OUTCOME	
	1999	2006	1999	2006	1999	2006	2000	2007
EG	0,92	0,19	0,29	0,35	0,73	0,66	0,4	0,43
MO	1,0	1,0	0,08	0,11	0,1	0,35	0,17	0,23
A	0,17	0,08	0,89	0,92	0,93	0,93	0,98	0,96
BE		0,16		0,94	0,99	0,95	0,78	0,91
DK	0,49	0,57	0,95		0,96	0,97	0,99	0,98
FI	0,18	0,18	0,71	0,77	0,98	0,98	0,85	0,92
FR	0,11	0,07	0,57	0,57	0,94	0,96	0,67	0,89
GE	0,04	0,04	0,71	0,86	0,96	0,95	0,92	0,64
GR	0,01	0,03	0,86	0,94	0,84	0,97	0,37	0,44
IRL	0,25	0,34	0,35	0,71	0,96	0,98	0,88	0,83
IT	0,04	0,03	0,94	0,94	0,9	0,96	0,53	0,67
LUX	0,02		0,89	0,94	0,83	0,82	0,98	0,95
NL	0,06	0,11	0,71		0,96	0,96	0,95	0,95
PT	0,21	0,1	0,86	0,94	0,94	0,93	0,53	0,34
SP	0,1	0,08	0,82	0,86	0,95	0,96	0,33	0,59
SE	0,3	0,22	0,92	0,95	0,99	0,95	0,99	0,98
UK	0,1	0,18	0,57	0,65	0,95	0,96	0,71	0,66

### 3.3.3.2.2. Calibration of Health

The procedure has been the same as the one for education. We have referred to the WHO report on world health (2009) as well as to the worldwide distribution of the corresponding indicators. The EU policy framework to address inequalities in health care is also taken into account. The fine-tuning has then proceeded, if required, based on the distribution of the sample.

The indicators for input and outcome follow the same reasoning as for Education (see above).

*Indicator PRODUCTION: set of extensive health policies*

In order to calibrate the indicator for physicians' density according to the conceptual framework above, we use the WHOSIS 2009 dataset as reference point and we assess the worldwide distribution of this indicator. We first apply the threshold for fully in membership score at the 90<sup>th</sup> percentile, while that for fully out at the 33<sup>rd</sup> percentile<sup>41</sup>. The thresholds obtained are 37 physicians to 10000 as fully in anchor, while 5.41 corresponds to the fully out threshold. The cross-over point is set at 21.21 physicians' density in view of the distribution of the indicator worldwide and in the sample.

*Indicator OUTPUT: set of effective health policies*

Using WHOSIS 2009 dataset and assessing worldwide distribution of the indicator. For worldwide values for 2002 and 2007, we take the 90<sup>th</sup> percentile as fully in (worth 72years of healthy life), and 10<sup>th</sup> percentile as fully out, which would correspond to at least 55.55 years of healthy life. The cross-over is set at the 33<sup>rd</sup> percentile given that the distribution of this indicator tends to concentrate on higher values and it is worth 42.27 years.

The following table summarises the qualitative anchors applied to the indicators:

**Table 18 – Qualitative anchors: Health**

Membership scores	Verbal Qualifier	Indicator INPUT: set of generous health policies	Indicator PRODUCTION: set of extensive health policies	Indicator OUTPUT: set of effective health policies	Indicator OUTCOME: set of social cohesion
1.0	Fully in	20	37	71.96	15.62
0.5	Cross over	15	21.21	55.55	20.20
0.0	Fully out	10	5.41	42.27	31.80

The table below presents fuzzy sets scores for each country in each health dimension:

**Table 19 – Fuzzy sets: Health**

Country	INPUT		PRODUCTION		OUTPUT		OUTCOME	
	2000	2006	1999	2006	2002	2007	2000	2007
EG	0,01	0,01	0,53	0,63	0,94	0,95	0,4	0,43
MO	0,0	0,0	0,04	0,04	0,94	0,95	0,17	0,23
A	0,5	0,65	0,84	0,95	0,93	0,95	0,98	0,96
BE	0,23	0,5	0,97	0,98	0,65	0,69	0,78	0,91
DK	0,23	0,86	0,75	0,94	0,94	0,95	0,99	0,98
FI	0,08	0,23	0,87	0,9	0,95	0,96	0,85	0,92
FR	0,65	0,77	0,9	0,92	0,95	0,96	0,67	0,89
GE	0,86	0,86	0,89	0,92	0,94	0,95	0,92	0,64
GR	0,03	0,14	0,98	1,0	0,93	0,96	0,37	0,44
IRL	0,5	0,77	0,58	0,81	0,96	0,97	0,88	0,83
IT	0,23	0,35	0,98	0,95	0,95	0,96	0,53	0,67
LUX	0,35	0,77	0,67	0,75	0,69	0,76	0,98	0,95
NL	0,08	0,65	0,87	0,95	0,94	0,96	0,95	0,95
PT	0,5	0,65	0,87	0,92	0,92	0,94	0,53	0,34
SP	0,23	0,65	0,84	0,9	0,96	0,97	0,33	0,59
SE	0,23	0,35	0,84	0,9	0,96	0,97	0,99	0,98
UK	0,5	0,65	0,44	0,58	0,94	0,95	0,71	0,66

<sup>41</sup> As preliminary check, we set the fully out anchor at the 10th percentile but it turned to be not relevant for the present analysis. It was mainly determined by Sub Saharan African countries which are characterised by extremely low levels of density of medical staff.

### 3.3.4. Fuzzy Ideal-type Analysis

In this section, we derive the classification of countries according to their membership to a set of theoretical configurations or ideal-types. Identifying *Weberian* ideal-type cases is instrumental to learn about empirical cases on the basis of theoretical knowledge: the hypothetical ideal-types are hence a heuristic tool, a conceptual map to interpret the empirical, observed cases. The selection of ideal-types is necessarily determined by the research objectives.

In our case, the specific question is whether different social cohesion policy approaches (causal recipes) lead to similar outcomes over time. Based on the fuzzy above conceptual framework and define the theoretical configurations of the four causal conditions (i.e., input-production-output-outcome). Given that we have four dimensions, we work with 16 possible logical configurations ( $2^k$ ,  $k = 4$ ,  $2^4 = 16$ ). These are theoretical constructs which are then confronted empirically with our set of countries.

In table 24, we report all sixteen logical combinations of the four dimensions. *I* stands for input, *P* for production, *O* for output, and *Q* for outcome. The symbol  $\sim$  denotes logical negation, and  $*$  indicates that we apply logical intersection. For example, the ideal-type I corresponds to situations of high generosity (high investment in resources), extensive production (high deployment of resources), effective output (good results), and positive impact on social cohesion (social cohesion is favoured by the policy). Whilst, the ideal-type XIV corresponds to low generosity, extensive use of resources, but low performance and less favourable impact on social cohesion. The rest of the ideal-types can be read according to these criteria.

**Table 20 – Ideal-types**

Combination of causal conditions	Ideal-type
$I*P*O*Q$	I
$I*P*O*\sim Q$	II
$I*\sim P*O*\sim Q$	III
$I*\sim P*O*Q$	IV
$I*P*\sim O*Q$	V
$I*P*\sim O*\sim Q$	VI
$I*\sim P*\sim O*\sim Q$	VII
$I*\sim P*\sim O*Q$	VIII
$\sim I*P*O*Q$	IX
$\sim I*P*O*\sim Q$	X
$\sim I*\sim P*O*\sim Q$	XI
$\sim I*\sim P*O*Q$	XII
$\sim I*P*\sim O*Q$	XIII
$\sim I*P*\sim O*\sim Q$	XIV
$\sim I*\sim P*\sim O*\sim Q$	XV
$\sim I*\sim P*\sim O*Q$	XVI

Bearing these theoretical constructs, we move to the empirical analysis. We carry out separate analysis for each sector and we compute the membership scores to these ideal-types for each of observation.

### 3.3.4.1. Ideal-types in Education

Tables 25 and 26 summarise, for each year, the membership scores of each country to each of the ideal-types.

**Table 21 – Distribution of the cases into the ideal-types: Education, 1999**

	i99	ii99	iii99	iv99	v99	vi99	vii99	viii99	ix99	x99	xi99	xii99	xiii99	xiv99	xv99	xvi99
EG	0,29	0,29	0,6	0,4	0,27	0,27	0,27	0,27	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08
MO	0,08	0,08	0,1	0,1	0,08	0,08	0,83	0,17	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
A	0,17	0,02	0,02	0,11	0,07	0,02	0,02	0,07	0,83	0,02	0,02	0,11	0,07	0,02	0,02	0,07
BE																
DK	0,49	0,01	0,01	0,05	0,04	0,01	0,01	0,04	0,51	0,01	0,01	0,05	0,04	0,01	0,01	0,04
FI	0,18	0,15	0,15	0,18	0,02	0,02	0,02	0,02	0,71	0,15	0,15	0,29	0,02	0,02	0,02	0,02
FR	0,11	0,11	0,11	0,11	0,06	0,06	0,06	0,06	0,57	0,33	0,33	0,43	0,06	0,06	0,06	0,06
GE	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,71	0,08	0,08	0,29	0,04	0,04	0,04	0,04
GR	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,37	0,63	0,14	0,14	0,16	0,16	0,14	0,14
IRL	0,25	0,12	0,12	0,25	0,04	0,04	0,04	0,04	0,35	0,12	0,12	0,65	0,04	0,04	0,04	0,04
IT	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,53	0,47	0,06	0,06	0,1	0,1	0,06	0,06
LUX	0,02	0,02	0,02	0,02	0,02	0,02	0,02	0,02	0,83	0,02	0,02	0,11	0,17	0,02	0,02	0,11
NL	0,06	0,05	0,05	0,06	0,04	0,04	0,04	0,04	0,71	0,05	0,05	0,29	0,04	0,04	0,04	0,04
PT	0,21	0,21	0,14	0,14	0,06	0,06	0,06	0,06	0,53	0,47	0,14	0,14	0,06	0,06	0,06	0,06
SP	0,1	0,1	0,1	0,1	0,05	0,05	0,05	0,05	0,33	0,67	0,18	0,18	0,05	0,05	0,05	0,05
SE	0,3	0,01	0,01	0,08	0,01	0,01	0,01	0,01	0,7	0,01	0,01	0,08	0,01	0,01	0,01	0,01
UK	0,1	0,1	0,1	0,1	0,05	0,05	0,05	0,05	0,57	0,29	0,29	0,43	0,05	0,05	0,05	0,05

**Table 22 – Distribution of the cases into the ideal-types: Education, 2006**

	i06	ii06	iii06	iv06	v06	vi06	vii06	viii06	ix06	x06	xi06	xii06	xiii06	xiv06	xv06	xvi06
EG	0,19	0,19	0,19	0,19	0,19	0,19	0,19	0,19	0,35	0,35	0,57	0,43	0,34	0,34	0,34	0,34
MO	0,11	0,11	0,35	0,23	0,11	0,11	0,65	0,23	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
A	0,08	0,04	0,04	0,08	0,07	0,04	0,04	0,07	0,92	0,04	0,04	0,08	0,07	0,04	0,04	0,07
BE	0,16	0,09	0,06	0,06	0,05	0,05	0,05	0,05	0,84	0,09	0,06	0,06	0,05	0,05	0,05	0,05
DK																
FI	0,18	0,08	0,08	0,18	0,02	0,02	0,02	0,02	0,77	0,08	0,08	0,23	0,02	0,02	0,02	0,02
FR	0,07	0,07	0,07	0,07	0,04	0,04	0,04	0,04	0,57	0,11	0,11	0,43	0,04	0,04	0,04	0,04
GE	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,64	0,36	0,14	0,14	0,05	0,05	0,05	0,05
GR	0,03	0,03	0,03	0,03	0,03	0,03	0,03	0,03	0,44	0,56	0,06	0,06	0,03	0,03	0,03	0,03
IRL	0,34	0,17	0,17	0,29	0,02	0,02	0,02	0,02	0,66	0,17	0,17	0,29	0,02	0,02	0,02	0,02
IT	0,03	0,03	0,03	0,03	0,03	0,03	0,03	0,03	0,67	0,33	0,06	0,06	0,04	0,04	0,04	0,04
LUX																
NT																
PT	0,1	0,1	0,06	0,06	0,07	0,07	0,06	0,06	0,34	0,66	0,06	0,06	0,07	0,07	0,06	0,06
SP	0,08	0,08	0,08	0,08	0,04	0,04	0,04	0,04	0,59	0,41	0,14	0,14	0,04	0,04	0,04	0,04
SE	0,22	0,02	0,02	0,05	0,05	0,02	0,02	0,05	0,78	0,02	0,02	0,05	0,05	0,02	0,02	0,05
UK	0,18	0,18	0,18	0,18	0,04	0,04	0,04	0,04	0,65	0,34	0,34	0,35	0,04	0,04	0,04	0,04

For interpretation purposes, for each country and year we take the ideal-type with the highest score (Kvist, 2003, 2006 and Jansova and Venturini, 2009). We focus on changes over time in order to identify similarities or differences in patterns across countries. Thanks to fuzzy sets we can assess both qualitative changes (change in kind) and quantitative changes (change in degree). We acknowledge though that the assessment of changes over time is somehow limited due to data constraints (i.e., two points in

time). Still, there are some years in between the two observations. The problem of dynamic relations and effects cannot be captured in this analysis.

**Table 23 – Ideal-types of Education: results**

Country	EDUCATION	
	1999	2006
EG	III (0.6)	XI (0.57)
MO	VII (0.83)	VII (0.65)
A	IX (0.83)	IX (0.92)
BE	NA	IX (0.84)
DK	I (0.49)/IX (0.51)	NA
FI	IX (0.71)	IX (0.66)
FR	IX (0.57)	IX (0.57)
GE	IX (0.71)	IX (0.64)
GR	X (0.63)	X (0.56)
IRL	XII (0.65)	IX (0.66)
IT	IX (0.53)	IX (0.67)
LUX	IX (0.83)	NA
NL	IX (0.71)	NA
PT	IX (0.53)	X (0.66)
SP	X (0.67)	IX (0.59)
SE	IX (0.70)	IX (0.78)
UK	IX (0.57)	IX (0.65)

As reported in table 27, the majority of the EU15 countries concentrate around ideal-type IX (~ I\*P\*O\*Q). This model is characterised by relatively low levels of expenditure, significantly extensive policy implementation (as captured by the deployment of teachers) and effective results in educational attainment as well as a favourable impact on social cohesion. There are though different degrees of membership across countries, and over time.

Specifically, in the early 2000s, Southern European countries present relatively higher membership scores to ideal-type X (or ~ I\*P\*O\*~ Q). This is observed mostly for the cases of Spain and Greece, and less for Italy and Portugal. This ideal-type relates to educational policies attain a lower impact on social cohesion relative to Northern European countries.

By the mid2000s there have been some changes in kind and in degree. For instance, Spain moves towards the IX while Italy confirms its membership to this model (since there is a change in degree of membership). Both countries seemed to have pursued educational policies favouring social cohesion. Portugal and Greece do not present changes in kind, which implies that their policies do not adequately address the goal of promoting greater social cohesion. The rest of European countries present changes in degree confirming their membership to the IX ideal-type. Ireland follows a quite different pattern. This country moved from XII (~ I\*~ P\*O\*Q) in the early 2000s to IX (~ I\*P\*O\*Q) by 2006. This would be connected to improvements in the coverage of the educational policy (as captured by the teachers-to-pupils ratio).

Moving to MPCs, we find a completely different situation. Egypt presents a qualitative change across time. In the early 2000s, it belonged to the ideal-type III (I\*~ P\*O\*~ Q),

which would apply to cases with high investment in education and overstretched educational systems which manage to ensure satisfactory educational results but not greater social cohesion. In the mid 2000s Egypt moved to ideal-type XI (~ I\*~ P\*O\*~ Q) with score 0.57, implying that the educational policy pursued has been mostly dictated by cost-containment objectives rather than with a social cohesion perspective.

We observe that Morocco belongs to a different ideal-type, VII (I\*~ P\*~ O\*~ Q), characterised by high levels of input devoted to education policy but low levels in terms of production, output and outcome. This country presents changes in degree over time, since its membership score to VII decreases while there is an increase in degree to ideal-type III ( I\*~ P\*O\*~ Q). Compared to Egypt, in the mid2000s, Morocco devoted more resources to education, which would point to higher priority attached to education relative to other public policies. This change in policy orientation seems to have had an impact in terms of effectiveness (i.e., educational access and attainment), but it has not been yet achieved a favourable impact on social cohesion. Logically, this result makes us think that impacts at the outcome level may take some more time (medium to longer term effects), and hence a longer time series would be necessary (but we leave this for further research).

### 3.3.4.2. Ideal-types in Health

Tables 28 and 29 summarise, for each year, the membership scores of each country to each of the ideal-types in health.

**Table 24 - Distribution of the cases into the ideal-types: Health, 2000**

country	i00	ii00	lii00	iv00	v00	vi00	vii00	viii00	ix00	x00	xi00	xii00	xiii00	xiv00	xv00	xvi00
EG	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,4	0,53	0,47	0,4	0,06	0,06	0,06	0,06
MO	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,04	0,04	0,83	0,17	0,04	0,04	0,06	0,06
A	0,5	0,02	0,02	0,16	0,07	0,02	0,02	0,07	0,5	0,02	0,02	0,16	0,07	0,02	0,02	0,07
BE	0,23	0,22	0,03	0,03	0,23	0,22	0,03	0,03	0,65	0,22	0,03	0,03	0,35	0,22	0,03	0,03
DK	0,23	0,01	0,01	0,23	0,06	0,01	0,01	0,06	0,75	0,01	0,01	0,25	0,06	0,01	0,01	0,06
FI	0,08	0,08	0,08	0,08	0,05	0,05	0,05	0,05	0,85	0,15	0,13	0,13	0,05	0,05	0,05	0,05
FR	0,65	0,33	0,1	0,1	0,05	0,05	0,05	0,05	0,35	0,33	0,1	0,1	0,05	0,05	0,05	0,05
GE	0,86	0,08	0,08	0,11	0,06	0,06	0,06	0,06	0,14	0,08	0,08	0,11	0,06	0,06	0,06	0,06
GR	0,03	0,03	0,02	0,02	0,03	0,03	0,02	0,02	0,37	0,63	0,02	0,02	0,07	0,07	0,02	0,02
IRL	0,5	0,12	0,12	0,42	0,04	0,04	0,04	0,04	0,5	0,12	0,12	0,42	0,04	0,04	0,04	0,04
IT	0,23	0,23	0,02	0,02	0,05	0,05	0,02	0,02	0,53	0,47	0,02	0,02	0,05	0,05	0,02	0,02
LUX	0,35	0,02	0,02	0,33	0,31	0,02	0,02	0,31	0,65	0,02	0,02	0,33	0,31	0,02	0,02	0,31
NL	0,08	0,05	0,05	0,08	0,06	0,05	0,05	0,06	0,87	0,05	0,05	0,13	0,06	0,05	0,05	0,06
PT	0,5	0,47	0,13	0,13	0,08	0,08	0,08	0,08	0,5	0,47	0,13	0,13	0,08	0,08	0,08	0,08
SP	0,23	0,23	0,16	0,16	0,04	0,04	0,04	0,04	0,33	0,67	0,16	0,16	0,04	0,04	0,04	0,04
SE	0,23	0,01	0,01	0,16	0,04	0,01	0,01	0,04	0,77	0,01	0,01	0,16	0,04	0,01	0,01	0,04
UK	0,44	0,29	0,29	0,5	0,06	0,06	0,06	0,06	0,44	0,29	0,29	0,5	0,06	0,06	0,06	0,06

**Table 25- Distribution of the cases into the ideal-types: Health, 2006**

country	i06	ii06	iii06	iv06	v06	vi06	vii06	viii06	ix06	x06	xi06	xii06	xiii06	xiv06	xv06	xvi06
EG	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,43	0,57	0,37	0,37	0,05	0,05	0,05	0,05
MO	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,04	0,04	0,77	0,23	0,04	0,04	0,05	0,05
A	0,65	0,04	0,04	0,05	0,05	0,04	0,04	0,05	0,35	0,04	0,04	0,05	0,05	0,04	0,04	0,05
BE	0,5	0,09	0,02	0,02	0,31	0,09	0,02	0,02	0,5	0,09	0,02	0,02	0,31	0,09	0,02	0,02
DK	0,86	0,02	0,02	0,06	0,05	0,02	0,02	0,05	0,14	0,02	0,02	0,06	0,05	0,02	0,02	0,05
FI	0,23	0,08	0,08	0,1	0,04	0,04	0,04	0,04	0,77	0,08	0,08	0,1	0,04	0,04	0,04	0,04
FR	0,77	0,11	0,08	0,08	0,04	0,04	0,04	0,04	0,23	0,11	0,08	0,08	0,04	0,04	0,04	0,04
GE	0,64	0,36	0,08	0,08	0,05	0,05	0,05	0,05	0,14	0,14	0,08	0,08	0,05	0,05	0,05	0,05
GR	0,14	0,14	0,0	0,0	0,04	0,04	0,0	0,0	0,44	0,56	0,0	0,0	0,04	0,04	0,0	0,0
IRL	0,77	0,17	0,17	0,19	0,03	0,03	0,03	0,03	0,23	0,17	0,17	0,19	0,03	0,03	0,03	0,03
IT	0,35	0,33	0,05	0,05	0,04	0,04	0,04	0,04	0,65	0,33	0,05	0,05	0,04	0,04	0,04	0,04
LUX	0,75	0,05	0,05	0,25	0,24	0,05	0,05	0,24	0,23	0,05	0,05	0,23	0,23	0,05	0,05	0,23
NL	0,65	0,05	0,05	0,05	0,04	0,04	0,04	0,04	0,35	0,05	0,05	0,05	0,04	0,04	0,04	0,04
PT	0,34	0,65	0,08	0,08	0,06	0,06	0,06	0,06	0,34	0,35	0,08	0,08	0,06	0,06	0,06	0,06
SP	0,59	0,41	0,1	0,1	0,03	0,03	0,03	0,03	0,35	0,35	0,1	0,1	0,03	0,03	0,03	0,03
SE	0,35	0,02	0,02	0,1	0,03	0,02	0,02	0,03	0,65	0,02	0,02	0,1	0,03	0,02	0,02	0,03
UK	0,58	0,34	0,34	0,42	0,05	0,05	0,05	0,05	0,35	0,34	0,34	0,35	0,05	0,05	0,05	0,05

As for education, we concentrate on the ideal-types with the highest score and they are reported in the table 30.

**Table 30 – Ideal-types of Health: results**

Country	HEALTH	
	1999	2006
EG	X (0.53)	X (0.57)
MO	XI (0.83)	XI (0.77)
A	I (0.5)/ IX (0.5)	I (0.65)
BE	IX (0.65)	I (0.5)/IX (0.5)
DK	IX (0.75)	I (0.86)
FI	IX (0.85)	IX (0.77)
FR	I (0.65)	I (0.77)
GE	I (0.86)	I (0.64)
GR	X (0.63)	X (0.56)
IRL	I (0.5)/ IX (0.5)	I (0.77)
IT	IX (0.53)	IX (0.65)
LUX	IX (0.65)	I (0.75)
NL	IX (0.87)	I (0.65)
PT	I (0.5) / IX (0.5)	II (0.65)
SP	X (0.67)	I (0.59)
SE	IX (0.77)	IX (0.65)
UK	IV (0.5)/ XII (0.5)	I (0.58)

From the empirical analysis for health, we find that most of the European countries followed a similar policy pattern. In fact, many of them concentrated around ideal-type IX (or  $\sim I^* \sim P^*O^* \sim Q$ ) at the beginning of the 2000s while they moved towards ideal-type I ( $I^*P^*O^*Q$ ) afterwards. Ideal-type IX is characterised by health policies with low levels of resources and under-staffed which manage to be relatively effective in terms of output but do not promote greater social cohesion. On the other hand, the ideal-type I

is characterised by generous health systems with good coverage leading to good health care results as well as promoting greater social cohesion.

There are though some countries which do not follow this general pattern. Belgium, Finland, Italy and Sweden do not present changes in kind since by the mid2000s they still belong to ideal-type IX, albeit with changes in degree of membership: Sweden and Belgium reduce their level of membership to this model, while there is an increase in membership in the case of Italy. Spain and the UK start both from different ideal-types but both move towards ideal-type I over time. Starting from X (or  $\sim I^*P^*O^*\sim Q$ ), Spain seems to have prioritised health as to total governmental resources devoted to public policies which have also addressed social cohesion concerns. On the other hand, UK presents a more ambiguous profile at the beginning of the 2000s as it presents high scores for both IV and XII. They are both characterised by relatively low levels of health personnel deployment, but this issue seems to have been addressed through health care policies implemented over the period.

Interestingly both MPCs position themselves around the same ideal-type: XI (or  $\sim I^*\sim P^*O^*\sim Q$ ). This model is characterised by low priority attached to the sector in terms of inputs and deployment of resources and low impact on social cohesion, albeit the system ensures effective results in terms of health status. This somehow ambiguous ideal-type would require further investigation.

### 3.3.5. Comments for further research

Despite a clear need for reinforcing data availability in terms of social indicators, we have performed an empirical analysis which has exploited the advantages of the fuzzy sets to address from a comparative perspective education and health care policies with a social cohesion orientation.

We have found evidence of some convergence in terms of education and health care policies over time, but it is also true that most of the countries do not belong to a single ideal-type, as their scores of membership for all the typologies tend to be above zero. Each of the countries present different combinations of membership scores to the various ideal-types, which also change over time. The conclusion is that a total model of even one society, in one historical period, is not possible. Probably, there are other causal conditions, beyond the logical input-production-output-outcome framework, that need to be considered. However, the data at disposal do not allow for identifying these elements and further research should be needed to better explore these elements by using more complete datasets. We could also think of applying micro datasets in order to mix objective and subjective indicators about social policy.

Besides, given the multi-dimensionality of social cohesion, the sectoral approach adopted in this research is to some extent rather constraining. In fact, one should enrich the analysis by including inter-sectoral linkages, looking whether they significantly differ across countries and which patterns they present over time. Provided the adequate data are available, this could be done through more sophisticated fuzzy sets analysis or combining complementary empirical techniques.

We have mentioned before that the present empirical analysis cannot account for dynamic effects. These can be significant when addressing policies to promote social cohesion as there might be some time lag from the time a policy is implemented till an

effect is perceived in terms of social cohesion. This requires measuring the exact time lag between the different stages of the policy production, from input to production, from production to results –both output and outcome. These aspects are nonetheless difficult to model, especially based on the data at disposal, and they are left as interesting issues to devote further research.

## 4. Conclusions

To conclude, it is essential to indicate the extent to which the concept of social cohesion and all the different dimensions and their inputs, products and outputs demand a new view of what is involved in explaining the different ways in which social cohesion may occur in the EU, the MPCs and abroad. What is important, for our purpose, is to criticize the idea of a unique and irreducible profile which comes with social cohesion. The concept is unquestionably fuzzy and affected by the particular social interactions which a given country experiences in a given period.

Equally, we should not underestimate the importance of intentional and unintentional control which public policies exert over social cohesion and the very partial control that policies may exert at their best. Policy actions are then always limited, because they are constrained for many reasons, and sectoral policies are much more limited, indeed.

We consider social cohesion as an important historical issue of contemporary societies which cannot be denied. The gulf which is drawn between the “free” person and the socially conditioned person obscures the fact that a person has no choice but to be social. As a consequence, social cohesion is a crucial issue: a person is always within the boundaries of social life, and usually of social relationships. The great leaps into freedom which were indicated by Karl Marx and the idea of “uninstitutionalized” action appear in this sense misleading and risk to be romantic. They suppose a non-social alternative, which is everything but real in contemporary EU as well as in the MPCs.

At the same time, the complex definitions or theories of Karl Marx<sup>42</sup>, George Simmel<sup>43</sup> and many other critical thinkers have focused in particular on a criticism of existing social relations, including those of power and the potential means of changing these relations. Marx argued that the contradictions between the forces of production and the social relations of production would ultimately culminate in a revolutionary conflict between classes. Simmel wrote a long essay on conflict, and made numerous influential observations on the conditions and consequences of conflicts. So far, this point has only been partially recognised in the disputes on different approaches to social cohesion.

At the same time, all the current definitions of social cohesion (as well as the concept of Human Development) across the EU and the MPCs regions have profound conceptual and operative similarities. Somehow, it appears that it is only the detail that differs.

---

<sup>42</sup> K. Marx and F. Engels (1965), *Selected works*, 2 vols, Foreign Languages Publ. House, Moscow.

<sup>43</sup> G. Simmel (1904), “The sociology of conflict”, *American Journal of Sociology*, N. 9, pp. 798-811.

Among the existing EU welfare state regimes, there is a debate on the choice between so-called universalistic or target systems to address social issues. The universalistic systems imply that social rights, needs satisfaction and citizenship are largely granted to individuals irrespective of their civil and family status, and redistribution and insurance objectives are mainly addressed through a mix of progressive taxation, monetary and fiscal transfers and basic social security services guaranteed to all the people. The Scandinavian countries are considered the best example of social democratic systems which developed a welfare state that includes the entire population, with global programmes rather than selective ones: free (or cheap) education and health care for all in publicly owned and high quality institutions, child allowances for all families with children rather than income-tested aid for poor mothers, universal old-age pensions, general housing policies rather than public housing<sup>44</sup>. The basic principle is that full social citizenship rights and status should be guaranteed unconditionally, so that social legislation has a universalistic nature. The pragmatic interest behind this principle is that every citizen is potentially exposed to certain risks so that all citizens should share responsibility for meeting welfare needs arising from such risk exposure, as 'we are all in the same boat'.

Universal welfare policies are typically opposed to selective policies of a residual, income- or means-testing kind, targeted at the poor, identified as those who lack means and need support. Liberal or Anglo-Saxon welfare states represent the practical implementation of this opposite view, according to which the welfare of the individual is not the responsibility of the social collective and not all citizens should be equally entitled by the State to a common decent standard of living and to full social citizenship rights and status unconditionally. State provision of welfare is minimal, social protection levels are modest and based on strict entitlement criteria: recipients are means-tested and usually stigmatised (with the risk that a part of those who are eligible prefer not to have access and many are not reached), reflecting a more stratified society and a more corporatist system. In this model, the dominance of the market is encouraged by subsidising private welfare schemes.

The rich and middle classes assumedly have no or little interest in paying taxes to maintain a very generous universalistic welfare states, as they are not considered themselves as members and beneficiaries of uniform public welfare programmes.

These different ideological perspectives on welfare policies tend to create a radical opposition between universalism and selection, even though universal policies in terms of population coverage (people are attributed rights by virtue of citizenship) incorporate some positive selective discrimination as a way to filter eligibility (age, years of employment, income earned, and others) and benefit formulas. Therefore, even if in more practical terms some gradualism lying on a continuum between the two extremes - universalism versus selection - seems to be inevitable rather than a narrow binary choice, nonetheless universalistic-based selection remains very different from selectivity on moral or economic grounds, which is part of the means-test systems. And what makes a difference is not so much whether or not to be selective,

---

<sup>44</sup> R. Eriksson et al. (eds) (1987), *The Scandinavian Model: Welfare States and Welfare Research*, M. E. Sharpe, New York.

but how much to push discrimination and where to stop<sup>45</sup>. At the same time, it is also true that a kind of convergence seems to occur in Europe, in particular as referred to the core area of labour policies: new Scandinavian 'flexicurity' and pro-active labour market policies, even though heterogeneous, all emphasize the duty (rather than the right) to work of workers in return for unemployment insurance (with tightened eligibility criteria for and reduced periods and levels of support). Somehow, this convergence is also the consequence of the fact that 'pure' universal schemes are currently criticised because they are too expensive and imply too high a taxation level with negative effects on the market, inefficient priorities, increased transaction costs and the diffusion of dependency cultures<sup>46</sup>.

Nevertheless, this policy trend towards less 'pure' universalistic regimes is not the result of what empirical evidence shows. In fact, through careful statistical techniques Lindert demonstrated that the OECD countries that spend the most on social programs do not grow the slowest and there is no clear negative net impact on GDP of relatively high tax-based social spending, despite the ideological tradition that assumes that such costs are large<sup>47</sup>. Many empirical studies support the opposite view that universalistic regimes are more effective than those based on means-tested mechanisms to reduce poverty. Korpi and Palme defined this result as the paradox of universalism: universalistic policies are apparently not redistributive but they produce more egalitarian societies than targeting policies, that are in theory more redistributive-oriented<sup>48</sup>. In practice, however, a more substantial difference is that universalistic policies are more focused on poverty and inequality reduction through social cohesion, whereas means-tested policies are more focused on the relief of the poor in a narrow sense. It is also true that universalistic regimes are more effective in ensuring political support by the middle class of taxes to finance welfare programmes, whereas targeting means a reduced budget devoted to poverty reduction, so that the net effect on the poor may be a smaller share of the public budget. However, particularly when serious fiscal constraints are on the top of political agenda, none of these reasons and facts matters very much. The main constraint seems to be that the state has less capacity to provide universal services due to the fiscal crisis, and there is a need to maximise the inclusion of the poor.

These trends and facts related to the welfare state regimes are important for the MPCs as well. As universal welfare systems are based on the principle of social citizenship, access to formal employment and a solid tax base, they have been often considered very difficult to adopt in non-OECD countries. These structural difficulties, together with a widespread diffusion of neo-liberal and the so-called Washington Consensus reforms all over the world, have emphasized the importance of well targeted transfers and safety nets, subsidies to encourage private sector participation (or commodification of basic social service provision), and decentralization as essential

---

<sup>45</sup> A. Sen (1995), "The Political Economy of Targeting," in D. Van de Walle and K. Nead (eds), *Public Spending and The Poor: Theory and Evidence*, John Hopkins University Press, Baltimore.

<sup>46</sup> N. Kildal and S. Kuhnle (2002), "The Principle of Universalism: Tracing a Key Idea in the Scandinavian Welfare Model", First Conference of the ESPANET, Tilburg University, The Netherlands, August 29-31.

<sup>47</sup> P. H. Lindert (2004), *Growing Public*, 2 voll., Cambridge University Press, Cambridge.

<sup>48</sup> W. Korpi and J. Palme (1998), "The Paradox of Redistribution and Strategies of Equality: Welfare State Institutions, Inequality, and Poverty in the Western Countries", *American Sociological Review*, vol. 63, n. 5.

tools for social policy. The fact that high administrative and transactions costs, incentive distortion, moral hazard and corruption may drastically reduce the cost-effectiveness of targeted and rationed social policies count for very little. Therefore, current programs and policies on poverty reduction, including the mainstream narrowed agenda 'targeted' on Poverty Reduction Strategies and the MDGs supported by the UN system and the International Financial Institutions, is more inclined to approach poverty reduction in terms of individual responsibility and free-market solutions to target the poor rather than redistributive social cohesion and solidarity approaches.

However, some forms of very biased (that is highly distorted) stratified "universalism" have been applied in many MPCs. The privileged and restricted social groups directly linked to the government (state officials, military) have been partially involved in the distribution of oil earnings, through subsidies and job opportunities, defining a restricted social pact<sup>49</sup>. Furthermore, it is a mistake to apply the concept of welfare state regime to most non-OECD countries, because the context of the time in which welfare states were built is very different (the period following World War II and the fear of communism), the development of modern state-building is different (the non-OECD economies lack the stateness primacy and the correlated social pact based on taxation) and basically the embedded social demands are different<sup>50</sup>.

Nevertheless, we think that a concept of social cohesion may well be applied to many MPCs, at least for two reasons. On one side, there is no need to be anchored to westernized meanings of concepts as a consequence of Western social and cultural influence all over the world, and whenever possible more challenging and open approaches to general concepts (such as social cohesion) may be preferable, to reflect the importance of other cultures, lifestyles and mentalities. On the other side, a crucial political determinant of Western welfare state regimes, that is the need to create consensus and political cohesion in the process of nation building, is exactly what is behind the social policies defined and implemented by governments in MPCs. In theory, MPC economies can exploit the opportunity to adopt certain institutions and social policies on the basis of the results experienced in the EU countries, without waiting for a later stage of development.

To quote Khalaf and Hammoud in their ground-breaking anthropological work on welfare state and oil, there are some interlinked political, institutional, economic, social, and cultural factors to be analysed more systematically so that the concept of welfare state may be properly adapted to describe a more general case<sup>51</sup>. Moreover, the role of the state has occupied centre stage in development studies<sup>52</sup>. In development economics, the state is considered the main catalyst for development processes<sup>53</sup>: the most compelling theories agree on the fact that the percolation or trickle-down effect,

---

<sup>49</sup> T. Mkandawire (2005), *Targeting and Universalism in Developing Countries*, discussion paper, mimeo.

<sup>50</sup> M. Zupi (2009c), "Does oil abundance reduce poverty? No, Yes, or Maybe", CeSPI, Rome.

<sup>51</sup> S. Khalaf and H. Hammoud (1988), "The Emergence of the Oil Welfare State: the Case of Kuwait", *Dialectical Anthropology*, n. 12.

<sup>52</sup> C. Auroi (ed.) (1992), *The Role of the State in Development Processes*, EADI/Routledge, London.

<sup>53</sup> K. Hoff and J. Stiglitz K. (2001), "Modern Economic Theory and Development", in G. Meier and J. Stiglitz (eds.), *Frontiers of Development Economics: The Future in Perspective*, Oxford University Press, New York.

according to which countries with moderate to rapid rates of aggregate economic growth succeed in upgrading the economic and social conditions of the poor, is not the way that things occur. Rather, it is political will and economic interests that determine the redistributive pattern of growth.

In practice, in many non-OECD economies, authoritarianism, general inequality, and administrative weakness of states in distributing services are the prevailing constraints, limiting substantially any action to reduce poverty and inequality, beyond any *querelle* on universalistic versus targeting social policies.

According to Sachs, in terms of general principles to be recommended, public expenditure should be used to finance essential public goods that are underprovided by market forces: basic infrastructure networks (road, power, schools, clinics, rail, telecom, urban water, sanitation) and essential social services that should be guaranteed to everyone (basic health and education, safe drinking water and sanitation, social insurance for unemployed and disabled people, basic nutrition and shelter). This approach focused on investment in public goods is considered appropriate to break the vicious circle of poverty traps<sup>54</sup>. However, what these general principles seem to underestimate is the fact that the problems of welfare, poverty and inequality in MPC economies are basically and deeply rooted in the political, economic and social (and, consequently, institutional) dimension, rather than financial phenomena of under-funded social expenditure.

Apart from general principles, when we move from the question related to “how much” to the one referred to “how” public resources has to be spent, the choices on the use of public expenditures for poverty reduction become particularly complex and, again, related to political and institutional choices and degrees of freedom. This is true not only because it clearly depends on the context of each country, but also because there is a trade-off between different time periods preference (the benefits of the current generation, through rapid expenditure, or the interests of future generations through long-term orientation?), and redistribution may address the problems of vertical (among the rich and poor) and horizontal (among different areas within the country as well as among rural and urban areas, men and women<sup>55</sup>, age cohorts or economic sectors) inequality, as well as the inequality or severity of poverty (that is the variations in distribution of welfare among the poor, the weight attributed to the poorest). Given the interaction between two crucial problems of our societies - that are inequality and environmental sustainability - the cost of environmental degradation and pollution is another externality of oil production, which is mainly suffered by the poor who live near the production areas, whereas the poor who live far away are marginalised from all - positive and negative - externalities of economic development).

Social policy in general occupies different positions on national governments’ agendas, and is not linked to the same objective welfare indicators across countries. A comparative analysis centred on the evolution of social indicators which are more easily comparable among countries than qualitative social policy analyses has to

---

<sup>54</sup> J. Sachs (2007), “How to Handle the Macroeconomic of Oil Wealth”, in M. Humphreys, J. Sachs and J. Stiglitz (eds.), *Escaping the Resource Curse*, Columbia University Press, New York.

<sup>55</sup> M. Ross (2008), “Oil, Islam, and Women”, *American Political Science Review*, vol. 102, n. 1 February.

consider this limitation. The empirical part of this report shows that, according to the specific usage of fuzzy set approach applied to our dataset, in comparing 1999 and 2006 years, a process of convergence is occurring within the EU-15 countries in terms of movement towards the same ideal-type (I) for health and the maintenance of a given ideal-typo (IX) for education, whereas the picture is much more ambiguous for the two MPCs under investigation (with Egypt and Morocco showing a more similar pattern for health than education). However, the data must be considered carefully because there are important lags in the mechanisms which allow financial resources to translate into social policy, social policy to improve social indicators, and the statistics to capture real improvements. Failure to translate resources into social welfare improvements through social policy instruments can stem from lack of political will, institutional weaknesses and ineffective social policy instruments.

The final impact of social policies on the population depends on a complex series of economic, institutional, political, societal factors, and – as a consequence – on historical interactions among these factors, which should prevent us from oversimplified models and hypotheses of general laws and regularities. Unfortunately, in such a complex context and given the nature, availability and reliability of existing data, there is no room for short-cuts: even if we ignore the number of conceptual and methodological problems, conclusions of cross-country econometric analyses – such as those commonly employed in recent literature – can provide, at best, just some indication of how certain regular relations might be on average.

Implicit in many comparative analyses is the assumption that, despite the complexity of political regimes, social structures, culture, geographic position and size, some basic macroeconomic, political and institutional facts can be used to summarize some similar or different characteristics of oil economies throughout the world. In particular, without being compelling as a theory, this report tried to identify just a few basic elements of homogeneity and heterogeneity of situations among the EU and MPCs, in terms of structures as well as of developmental trajectories, at least in the limited perspective of the last decade, rather than in a long-term perspective.

The emphasis placed on institutions that affect market functioning and, as a consequence, on the microeconomics of growth, reflects the significant change in orientation, from macroeconomic and structural issues, occurred in current thinking on development economics since the mid 1990s. A problem is that, as noted by Stiglitz, institutions mean different things (rules, regulations, customs and organizations) to different people, and while it is easy to identify the outcomes of good institutions, it remains far from clear how to go about creating good institutions<sup>56</sup>.

Following the crusading spirit of the French *Annales* school of historians, instead of an anecdotal narrative, the narrow confines of political life must give way to the rigorous standards of *l'Histoire totale*, offering rich explanations of the multifaceted aspects of social, economic, political and cultural phenomena. Total history is not a homogenous body of facts and theories which all fit neatly together. Rather, it relies on a tripartite classification, originally set out by Fernand Braudel<sup>57</sup>, to divide into three distinct elements: the *longue durée* (a history of constant repetitions, ever-recurring cycles), the

---

<sup>56</sup> J. Stiglitz (2000), "Introduction", in C. Gilbert and D. Vines (eds.), *The World Bank: Structure and Policies*, Cambridge University Press, Cambridge.

<sup>57</sup> F. Braudel (1972), "History and the Social Sciences", in P. Burke (ed.), *Economy and Society in Early Modern Europe*, Routledge, London, pp. 11-42.

combination of *structure* and *conjunctures* of groups, collective destinies and general trends (the combination of the permanent and the ephemeral) and, finally, the *événements* (the surface noises). Based on such considerations, economic and social policies, as well as cultural and demographic factors, local, national and international elements are therefore held to play important and complementary parts in the explanation of social change and cohesion. At the same time, their explanatory power is limited, partly as a consequence of data limitation (which is event in the case of many MPCs) on social policies and outcomes, despite the fact that the techniques of quantitative and qualitative analysis grew in sophistication, as demonstrated by the potential of fuzzy sets logic. Partly, the limitation is a consequence of the fact that the relevant changes are defined by being unintended and at least to some extent beyond the control of the society they affect, either because of their intrinsic character, or because of the scale on which they occur.

A particularly striking example of such relevant changes that cannot be easily and fairly accurately charted and measured, as well as its causes completely well understood is climate change. Climate change has human health impacts, by increasing the rate of heat- and cold-related illness and death, increasing the frequency and/or the intensity of extreme weather events (such as storms). It also affects human health indirectly, through its impact on food supply and patterns of disease, as well as through the worsening nexus among energy crisis, water shortage and climate changes (particularly acute in the Mediterranean area). Moreover, all these negative effects are likely to fall more heavily on the most vulnerable groups of population, who live in more difficult conditions and have less of a buffer against adversity. It is certain that climate change is occurring, and it is clear that human activity is one of the causes as well as that somehow it will affect social life and cohesion. Thus, the problems posed by global environmental changes are particularly challenging for policies under “uncertainty” of information and effectiveness. This report did not take account of environmental impact on social equity and cohesion. Traditional assumptions of public policies about economic growth and social development do not include such a challenging issue. However, taking global climate change seriously requires a re-examination and has broad implications for public policies and social cohesion. What impulse comes down to it, is to do further research.

To invoke the idea of a vacillating understanding of social processes in terms of complex processes which operate in the world, beneath the unifying umbrella of generalization cannot prevent us from addressing the ambitious goal of enriching our knowledge of the stylized facts through a pragmatic approach. An approach which bears on the here and now, by combining qualitative and quantitative analysis, exploring the interactions among different sectors of policy intervention, adopting a normative picture of what the social world is like and why we should bother with it, being prepared for eclectic, partial and inconclusive results. The claim that there is more than one legitimate social interest brings with it the corollary that explanation can be undermined by more than one set of norms. By extending what Leonard Smith said<sup>58</sup> as referred to climate forecast, at best our models hold only in certain circumstances; all results at the boundaries of our understanding must be treated as fundamentally uncertain.

---

<sup>58</sup> L. A. Smith (2002), “What might we learn from climate forecasts?”, *Proceedings of the National Academy of Sciences of the United States of America*, 99, 3.

Linked to this increased interest in climate change, there is a common concern which could be addressed with common, coordinated responses. In this regard we would not only be referring to social cohesion but also to territorial cohesion. By conceiving the Mediterranean as a bio-region we refer to a common space where policy challenges are already emerging in a wide myriad of areas. From our viewpoint, the agenda should go beyond integration and devote particular attention to these issues. In the coming years, the challenges posed by climate change to the *Mare Nostrum* should move to the top of the agenda of the ENP towards the Mediterranean.

## References

- Aliboni, R. (1997): "Economic reforms in the Mediterranean region", University of Bologna, mimeo.
- Atkinson, T. (2006): "The European Union Experience with Social Inclusion Policy", Buvinic' M.,Mazza, J. and R. Deutsch (eds.) *Social inclusion and economic development in Latin America*, Inter-American Development Bank, pp. 105-134.
- Atkinson, T., and B. Cantillon, E. Marlier, B.Nolan (2002): *Social Indicators: the EU and Social Inclusion*, Oxford: Oxford University Press.
- Atkinson, Tony (2003): "European and European Union Experience in Advancing Social Inclusion: A review and Lessons for Latin America and the Caribbean", Document presented for the IADB seminar "Good Practices in Social Inclusion: A Dialogue between Europe and Latin America and the Caribbean" March 21st-22nd 2003, Milan, Italy.
- Balioune-Lutz, M. N. (2004): "On the Measurement of Human Well-being: Fuzzy Set Theory and Sen's Capability Approach," Working Papers UNU-WIDER Research Paper, World Institute for Development Economic Research.
- Barro, R. and Sala-i-Martin, X. (1997): "On the Mechanics of Economic Development", *Journal of Monetary Economics*, July, vol. 22(1), pages 3-42.
- Bassanini, A. and Scarpetta, S. (2001): "Does human capital matter for growth in OECD countries evidence from pooled mean-group estimates?", *OECD Working Papers* N. 282.
- Berger-Schmitt, R. (2000): "Social Cohesion as an Aspect of the Quality of Societies: concept and Measurement", *EUReporting Working Paper* N. 14, Mannheim Centre for Survey Research and Methodology (ZUMA).
- Berger-Schmitt, R. and Noll, H. H. (2000): "Conceptual Framework and Structure of a European System of Social Indicators", *EUReporting Working Paper* N. 9, Mannheim Centre for Survey Research and Methodology (ZUMA).
- Berger-Schmitt, R.(2002): "Considering social cohesion in quality of life assessments: concept and measurement", *Social Indicators Research*, Vol.58, pp.403-428.
- Bourdieu, P. and Passeron, J.C. (1970): *La Reproduction. Éléments pour une théorie du système d'enseignement*, Minuit, Paris.
- Brunello, G., Garibaldi, P. and Wasmer, E. (2007): *Education and Training in Europe*, Oxford University Press - A report for the Fondazione Rodolfo DeBenedetti (FRDB).
- Byrne, D. (2004): "Enabling good health for all. A reflection for a new health strategy", DG Health and Consumer Protection, European Commission.
- Cantillon, B. (2005): "Social Europe: Lessons from the Laeken Social Indicators", Paper for the
- Chavez Miños, D. (2002): "Porto Alegre, Brazil: a new, sustainable and replicable model of participatory and democratic governance?", Transnational Institute, [Available at : <http://www.tni.org/archives/chavez/portoalegre.pdf>]

- Clark, G. (2007): *A Farewell to Alms - A Brief Economic History of the World*, Princeton University Press, Princeton.
- Clark, G. (2007): *A Farewell to Alms. A Brief Economic History of the World*, Princeton University Press, Princeton.
- Dahrendorf, R. (1995), "Economic opportunity, civil society, and political liberty", in UNRISD, *Rethinking social development*, Copenhagen Conference, 11-12 March, proceedings.
- Daly, M. (2000): "Paid work, unpaid work and welfare: towards a framework for studying welfare state variation", *Gender, welfare state and the market: towards a new division of labour*, edited by Boje, T. P. and Leira, A., Routledge.
- Daly, M. (2007): "Whither EU Social Policy? An Account and Assessment of Developments in the Lisbon Social Inclusion Process", *Journal of Social Policy*, Vol. 37, N. 1, pp. 1-19.
- Duru-Bellat, M. (2009): "Education and social cohesion in Europe", in *Le charme discret de la Cohésion Sociale in the Euro-Latin American Dialogue*, edited by Zupi, M. and Estruch-Puertas, E., CeSPI-FIIAPP-University Complutense Press.
- Eliade, M. (1949): *Le mythe de l'éternel retour. Archétypes et répétition*, Gallimard, Paris.
- ESPAnet Conference, Fribourg, Switzerland, 22-24 September 2005.
- Estruch-Puertas, E. (2008): ""Social Cohesion in Europe and Latin America: A Critical Review of Social Cohesion Indicators", paper presented at the ESPANET Conference, Helsinki, September 2008.
- European Commission (2000a): "Social Policy Agenda", Communication from the Commission, COM (2000) 379 final.
- European Commission (2000b): "Structural Indicators", Communication from the Commission, COM (2000), 594 final.
- European Commission (2003): "Strengthening the social dimension of the Lisbon strategy: Streamlining open coordination in the field of social protection", Communication from the Commission, COM (2003) 261 final.
- European Commission (2004): *EU/Morocco Action Plan*, DG External Relations, [Available at: <http://ec.europa.eu>]
- European Commission (2005a): "Social Agenda", Communication from the Commission, COM(2005) 33 final.
- European Commission (2005b): "Working together, working better: A new framework for the open coordination of social protection and inclusion policies in the European Union", Communication from the Commission, COM (2005) 706 final.
- European Commission (2007): *Together for Health- a Strategic Approach for the EU 2008-2013*
- European Commission (2008): "Portfolio of overarching indicators and streamlined social inclusion, pensions and health portfolios", DG Employment and Social Affairs, Social and demography analysis.
- European Commission (2008): *Joint Report on Social Protection and Social Inclusion*
- European Commission Staff Working Paper (SWP) (2006): "Efficiency and equity in European education and training systems", Accompanying document to the

- Communication on Efficiency and Equity in Education, SEC (2006) 1096, European Commission.
- European Council (2000): EU Presidency Conclusion, Lisbon 23rd 24th March, [Available at: [http://www.europarl.europa.eu/summits/lis1\\_en.htm](http://www.europarl.europa.eu/summits/lis1_en.htm)]
- Eurydice (2009a): *Key Data on Education in Europe 2009*, EACEA/Eurydice/Eurostat.
- Ferrera, M. (1996): "The Southern Model of Welfare in Social Europe", *Journal of European Social Policy*, Vol. 6, N. 1, pp.17- 37.
- Ferrera, M. (Ed.) (2005): *Welfare State reform in Southern Europe: fighting poverty and social exclusion in Italy, Spain, Portugal and Greece*, Routledge-London.
- Fuentes, A. (2009): "Raising Education Outcomes in Spain", Economics Department Working Paper N. 666, OECD.
- Geertz, C. (1986): *Savoir local, savoir global: les lieux du savoir*, Presses Universitaires de France.
- Green, A. (1997): *Education, Globalization and the Nation State*, Macmillan.
- Green, A., Preston, J. and Gemen Janmaat, J. (2006): *Education, Equality and Social Cohesion: Comparative Analysis*, Palgrave MacMillan.
- Green, A., Preston, J. and Sabates, R. (2003): "Education, Equality and Social Cohesion: a distributional approach", *Compare*, Vol. 33, December 2003, pp. 453-470.
- Guio, A. C. (2005): "Income Poverty and Social Exclusion in the EU25", *Statistics in Focus N. 13/2005*, Eurostat.
- Heritier, A. (2001): "Market integration and social cohesion: the politics of public services in European regulation", *Journal of European Public Policy*, Vol. 8, N. 5, pp. 825 - 852.
- Hill, M. and Bramley, G. (1986): *Analyzing Social Policy*, Blackwell.
- Holland W., Mossialos E. and Permanand, G. (1999): "Public health policies and priorities in Europe", in *Public health policies in the European Union*, edited by Holland, W. and Mossialos, E., Aldershot: Ashgate.
- Huber, M. (2009): "Health and social cohesion in Europe", in *Le charme discret de la Cohésion Sociale in the Euro-Latin American Dialogue*, edited by Zupi, M. and Estruch-Puertas, E., CeSPI-FIIAPP-University Complutense Press.
- Hudson, J. and Kuhner, S. (2009): "Towards productive welfare? A comparative analysis of 23 OECD countries", *Journal of European Social Policy* Vol. 19, N. 1, pp. 34-46.
- Illich, I. (1971): *Deschooling society*, Harper & Row, New York.
- Illich, I. (1973): *En América Latina, ¿para qué sirve la escuela?*, Ediciones Búsqueda, Buenos Aires.
- Indicators Sub-Group of the Social Protection Committee (ISG) (2001): "Report on Indicators in the Field of Poverty and Social Exclusion", European Commission-DG Employment.
- Izzo, M. (2009b): "Social Dialogue as a Tool To Promote Social Cohesion In Europe And Latin America", in *Le charme discret de la Cohésion Sociale in the Euro-Latin American Dialogue*, edited by Zupi, M. and Estruch-Puertas, E., CeSPI-FIIAPP-University Complutense Press.

- Izzo, M., Rhi- Sausi, J. L., and Zupi, M. (2008): "Il Concetto di Coesione Sociale in Europa e in America Latina", CeSPI, Paper prepared for the CNEL, March 2008.
- Jansova, E. and Venturini, G.L. (2009): "Pathways of income protection. Ideal-type configurations of minimum income scheme in the European Union", paper presented at the 7<sup>th</sup> ESPAnet Conference, 17-19<sup>th</sup> September 2009, Urbino, Italy.
- Kangni K. (2007). "Why Unemployment Rate is higher than in MENA and Transition Countries", mimeo.
- Katragoulos, G. and Lazaridis, G. (Eds.) (2003): *Southern European Welfare States: problems, challenges and prospects*, Palgrave MacMillan.
- Krueger, A. and Lindalh, M. (2001): "Education for growth: why and whom?", *Journal of Economic Literature*, Vol. 39, pp. 1101-1136.
- Kuhlmann, E. and Allsop, J. (2008): "Professional self-regulation in a changing architecture of governance: comparing health policies in the UK and in Germany", *The Policy Press*, Vol.36, N.2, pp.173-189.
- Kvist, J. (1999): "Welfare reform in the Nordic countries in the 1990s: using fuzzy-set theory to assess conformity to ideal types", *Journal of European Social Policy*, Vol. 9, N. 3, pp. 231-252.
- Kvist, J. (2000): "Changing rights and obligations in unemployment compensation: Using fuzzy-set theory to explore the diversity of Northern European policy developments in the 1990s", The Year 2000 International Research Conference on Social Security, 25-27 September 2000, Helsinki, Finland.
- Kvist, J. (2003): "Conceptualization, Configuration, and Categorization- Diversity, Ideal Types and Fuzzy Sets in comparative Welfare State Research", COMPASSS Launching Conference 16-17 September 2003, Louvain, Belgium.
- Kvist, J. (2006): "Diversity, Ideal Types and Fuzzy Sets in Comparative Welfare State Research", in *Innovative Comparative Methods for Policy Analysis: Beyond the Quantitative-qualitative*, edited by Rihoux, B. and Grimm, H., Springer.
- Lelli, S. (2001): "Factor Analysis vs. Fuzzy Set Theory: Assessing the Influence of Different Techniques on Sen's Functioning Approach", Public Economics Working Paper Series N. 121, Centre for Economic Studies, University of Louvain.
- Lemmi, A. and Betti, G. (Eds.) (2005): *Fuzzy set approach to multidimensional poverty measurement*, Springer.
- Lévinas, E. (1974): *Autrement qu' être ou au-delà de l'essence*, Nijhoff, La Haye.
- Lopez - Casanovas, G. (1999): "Health care and cost- containment in Spain", in *Health care and cost-containment in the EU*, edited by Mossialos, E. and Le Grand, J., Aldershot: Ashgate.
- Loury, Glenn C. (1981), "Intergenerational Transfers and the Distribution of Earnings," *Econometrica*, 49 (4): 843-867.
- Lucas Jr., R. E. (1988): "On the Mechanics of Economic Development", *Journal of Monetary Economics*, 22, 1, pp. 3-42.
- Lyon, D. (2006): "The organization of care work in Italy: gender and migrant labour in the new economy", *Indiana Journal of Global Legal Studies*, Vol.13, N.1, pp.207-224.

- Mackenbach, J.P. (2006): "Health Inequalities: Europe in Profile", Independent, expert report within the European Commission's project "Tackling Health Inequalities: Governing for Health", February 2006.
- Magnati, P., Ramella, F., Trigilia, C., and Viesti, G. (2005): *Patti territoriali*, Il Mulino.
- Marlier, E., Atkinson, T., Cantillon, B. and B., Nolan (2007): *The EU and Social Inclusion: Facing the Challenges*, The Policy Press, UK.
- Mayer, S. E. and Peterson, P. E. (Eds.) (1999): *Earning and Learning: Why Schools Matter*, Brookings Institution Press.
- McGinn, N. (2008): "Education Policies to Promote Social Cohesion", in *Policy-Making for Education Reform in Developing Countries: Policy, Options, and Strategies*, edited by Cummings, W. and Williams, J. H., R&L Education.
- McKenzie, David & Hillel Rapoport (2006), "Can migration reduce educational attainment?" *World Bank Policy Research Working Paper* 3952.
- Mossialos, E. and Le Grand, J. (Eds.) (1999): *Health care and cost-containment in the European Union*, Alderhot: Ashgate.
- Mude, Andrew G. & al (2003), "Educational Investments in a Spatially Varied Economy", First complete draft (July 2003), mimeo.
- Noll, H.H. (2002): "Social Indicators and Quality Of Life Research: Background, Achievements And Current Trends", in Genov, N. (Ed.) *Advances in Sociological Knowledge over Half a Century*, International Social Science Council, Paris.
- O'Connor, J.S. (2005): "Policy coordination, social indicators and the social-policy agenda in the European Union", *Journal of European Social Policy*, Vol. 15, N. 4, pp. 345-361.
- O'Connor, J.S. (2007): "Convergence in European Welfare State Analysis: Convergence of what?" in Clasen, J. and N.A. Siegel (Eds.) *Exploring the Dynamics of Reform: the dependent variable problem in comparative welfare state analysis*, Edward Elgar - Cheltenham, UK.
- O'Connor, J.S. (2005): "Policy coordination, social indicators and the social-policy agenda in the European Union", *Journal of European Social Policy*, Vol. 15, N. 4, pp. 345-361
- OECD (2006a): *Education at a glance*, OECD.
- OECD (2007a): "Understanding the social outcomes of learning", OECD.
- OECD (2007b): "No More Failures: Ten Steps to Equity in Education", OECD Education and Training Policy.
- Papadopoulos, F. and Tsakoglou, P. (2002): "Identifying population groups at high risk of social exclusion" in *Social Exclusion in European Welfare States*, edited by Muffels, R. and Tsakoglou, P., Edward Elgar, Cheltenham.
- Pasolini, P. P. (1976): *Lettere luterane*, Einaudi, Torino.
- Peracchi, F. (2002): "The European Community Household Panel: A review", *Empirical Economics*, N. 27, pp. 63-90.
- Petmesidou, M. and Guillén, A.M. (2008) "Southern style National Health Services? Recent reforms and trends in Spain and Greece", *Social Policy and Administration*, Vol. 42, N. 2, pp. 106-124.

- Pizzuti, F. R. (Ed.) (2008): *Rapporto sullo Stato sociale*, UTET.
- Putnam, R. (2000): *Bowling Alone: The Collapse and Revival of American Community*, Simon and Schuster
- Ragin, C. (1987): *The Comparative Method. Moving Beyond Qualitative and Quantitative Strategies*, University of California Press.
- Ragin, C. (2000): *Fuzzy-set Social Science*, University of Chicago Press.
- Ragin, C. (2008): *Redesigning Social Inquiry: Fuzzy Sets and Beyond*, University of Chicago Press.
- Ravallion, Martin (2006), "Inequality is Bad for the Poor", Background Paper to 2006 World Development Report, Equity and Development.
- RDH General Report: "50 Ans de Développement Humain & Perspectives 2025." L'Avenir se Construit et le Meilleur est Possible, mimeo.
- Rihoux, B. and Ragin, C. (2008): *Configurational Comparative Methods: Qualitative Comparative Analysis (QCA) and Related Techniques*, Sage Publications.
- Roberts, E. (2000): "The concept of economic and social cohesion in the Treaty establishing the European Community", *Working paper*, mimeo, [Available at: [http://webdoc.uhn.kun.nl/mono/r/roberts\\_e/concofecca.pdf](http://webdoc.uhn.kun.nl/mono/r/roberts_e/concofecca.pdf).]
- Rodriguez-Pose, A. and Fratesi, U. (2002): "Unbalanced development strategies and the lack of regional convergence in the EU", *LSE Research Paper*, London School of Economics. [Available at: <http://www.lse.ac.uk/collections/geographyAndEnvironment/research/Researchpapers/rp76.pdf>]
- Romer, P. H. (1990): "Endogenous Technological Change", *Journal of Political Economy*, October, Vol. 98, No. 5, Part 2, pp. S71-S102.
- Romer, P. H. (1986): "Increasing Returns and Long-Run Growth", *Journal of Political Economy*, October, Vol. 94, No. 5, pp. 1002-1037.
- Sabatini, F. (2008): "Capitale sociale, fiducia e crescita economica", in *Homo oeconomicus? Dinamiche imprenditoriali in laboratorio*, edited by Garofalo, G. and Sabatini, F., Il Mulino.
- Saraceno, C. (2001): "Social Exclusion. Cultural Roots and Diversities of a Popular Concept", Paper presented at the Conference 'Social exclusion and children', Institute for Child and Family Policy -Columbia University, May 3rd-4th 2001.
- Seyfried, E. (2005): "Pathways to social integration for people with mental health problems: the establishment of social cooperatives in Greece", *Peer Review in the field of Social Inclusion policies*. [Available at: <http://www.peer-review-social-inclusion.eu/peer-reviews/2005/>]
- Suárez-Orozco, M. (Ed.) (2007): *Learning in the global era: international perspectives on globalization and education*, University of California Press.
- Szelewa, D. and Polakowski, M. (2008): "Who cares? Changing patterns of childcare in Central and Eastern Europe", *Journal of European Social Policy* Vol. 18, N. 2, pp. 115-131.

- Ulubaşoğlu Mehmet A. and Buly A. Cardak (2006), "International Comparisons of Rural-Urban Educational Attainment Data and Determinants", Deakin University, mimeo.
- UNDP/AHDR (2009 and previous years): *Arab Human Development Report 2009: Challenges to Human Security in the Arab Countries*, UNDP.
- UNDP (2009 and previous years): *Human Development Report 2009*, UNDP, New York.
- Unesco (2005): "Education for All Global Monitoring Report 2005 - The Quality Imperative", Unesco publishing.
- Unesco (2009): "Education for All Global Monitoring Report 2009 - Overcoming inequality: why governance matters", Unesco publishing.
- Uriarte O.E., (2006), *Dialogo social: teoría y practica*, Boletín Cinterfor. [Available at: <http://www.cinterfor.org.uy/public/spanish/region/ampro/cinterfor/publ/boletin/157/pdf/ermida.pdf>]
- Uriarte, O.E. (2006): *Dialogo social: teoría y práctica*, Boletín Cinterfor [Available at: [www.cinterfor.org.uy/public/spanish/region/ampro/cinterfor/publ/boletin/157/pdf/ermida.pdf](http://www.cinterfor.org.uy/public/spanish/region/ampro/cinterfor/publ/boletin/157/pdf/ermida.pdf)]
- Vogel, J. and Theorell, T. (2006): "Social Welfare Models, Labor Markets, and Health Outcomes", in *Healthier Societies. From Analysis to Action*, edited by J. Heymann, C. Hertzman, M. L. Barer and R. G. Evans. Oxford, Oxford University Press.
- Wahba, J. and El-Hamidi, F. (2009). "Why Does the MENA Region Have Such High Unemployment Rates, Forthcoming in *Labor Markets in the Middle East and North Africa*. Rutledge, London.
- Wolf, F. and Zohlnöfer, R. (2009): "Investing in human capital? The determinants of private education expenditure in 26 OECD countries", *Journal of European Social Policy*, Vol. 19, N. 3, pp. 230-244.
- World Bank (2008): *The Road Not Travelled: Education Reform in the Middle East and North Africa*, [www.worldbank.org](http://www.worldbank.org).
- Wößmann, L. (2008): "Efficiency and equity of European education and training policies", *International Tax Public Finance*, Vol. 5, pp. 199-230.
- Wößmann, L. and Schütz, G. (2006): "'Efficiency and Equity in European Education and Training Systems", Analytical Report for the European Commission prepared by the European Expert Network on Economics of Education (EENEE) to accompany the Communication and Staff Working Paper by the European Commission under the same title.
- Zupi, M. (2009a): "Le charme discret de la Cohésion Sociale", in *Le charme discret de la Cohésion Sociale in the Euro-Latin American Dialogue*, edited by Zupi, M. and Estruch-Puertas, E., CeSPI-FIIAPP-University Complutense Press.
- Zupi, M. (2009b): "Social Policy and Happiness in Italy", in B. Greve (Ed.) *Social Policy and Happiness in Europe*, Elsevier.
- Zupi, M. (Ed.) (2008): *La Proiezione del Sistema-Italia nel Mediterraneo*, Carocci.