Multidimensional poverty and social exclusion in Europe – evidence from eight waves of the European Community Household Panel

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The paper will approach the empirical evidence concerning multidimensional poverty and social exclusion from a cross-national perspective. The subject of the investigation will be the influence of the deprivation of material assets (financial resources, living standards) on societal participation, relations with other persons and satisfaction with life. Both the material conditions and social behaviour of an individual depend on the person’s characteristics as well as on the characteristics of the society in which he/she lives. As a result, the relation between material conditions and social behaviours will also be affected by the attributes of both the individual and the society. The main goal of the paper is to assess and explain the differences in the patterns of multidimensional poverty and social exclusion between a number of European countries by the effects of country-level characteristics (indicators of social policy and welfare system attributes) and/or individual characteristics (the characteristics of people or the households in which they live). In particular, the interest lies in the effects of poverty on social exclusion when the effects of societal and individual factors are controlled for. As the concepts of both poverty and social exclusion will be understood in the paper as multidimensional rather than one-dimensional, it will be necessary to examine the interrelations between different dimensions in order to obtain as a detailed picture of the phenomena as possible. Therefore, the subject of the analysis will not only be the influence of the different dimensions of poverty on the different dimensions of social exclusion but also the internal relations between the dimensions of poverty and the internal relations between the dimensions of social exclusion. To achieve the goals postulated, multilevel modeling with three levels will be carried out: individual, household and country level will be used. Employing multilevel models allows the country labels to be replaced with a set of important country-level characteristics. As a result, the observed variation in the dependent variables can be explained in terms of the country-level variables rather than by ad-hoc created theories. The data that will be used in the paper come from the European Community Household Panel (ECHP) and cover all the eight waves of the survey that are available (years 1994-2001). This - quite long - time span covered by the data should make it feasible to observe possible trends in the obtained results. The dataset contains the information on the 15 “old-EU” countries: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom. This selection of countries used in the analysis guarantees quite a large variety of welfare system types and considerable differences in the social policies employed, which is very important given the cross-national perspective applied in the analysis. The paper will be ready by May 2006 and the results will be available for the conference in Barcelona.