How to look at an unequal wellbeing
The equity approach within the BES framework

Tommaso Rondinella
Summary

1. Why measuring inequalities
2. Different approaches towards inequalities
3. How to integrate them into BES
4. Some examples
5. Open issues
Why measuring inequalities

1. qualify mean values which can hide very different phenomena and criticalities for selected social groups.
2. actual drivers of personal well-being (relative position within society or peer groups).
3. a principle of social justice suggests that excessive inequalities go to the detriment of overall national well-being, (which threshold ?)

Take into account all well-being domains beyond traditional economic aspects, to identify excluded groups and lacking opportunities through:

- measures of distribution among individuals
- the breakdown of indicators for different groups (e.g. territories, gender, age, education, income, nationality…): structural inequalities.
Framework proposed by Schizzerotto and Saraceno (2009), the analysis of well-being inequalities can be carried out through three major approaches which are not mutually exclusive:

- **Outcomes**, which considers the distribution of goods and services or the privileges and disadvantages different people can rely upon.

- **Relational inequalities** (power + agency), those emerging from different roles within the society, in our case characterized by a democratic governance and a market economy, those deriving from individual social status, and societies which allow for major equality in this field are those where more social mobility occurs.

- **Opportunities**: a fair society is the one which guarantees equal capabilities to activate equal functioning through participation. This admits somehow the existence of outcome inequalities and its adoption generate a conflict between equal opportunities and equal dignity.
The approach used within the BES initiative is the simplest and more straightforward one of looking at objective and subjective outcomes for different social groups without building specific measures of distribution. Analysis of inequalities is done breaking down the variables, when possible, through structural factors.

Exceptions:
• disposable income inter quintile ratio,
• relative poverty
• Index of asymmetry
• Ratio of employment rate for women 25-49 years with children under compulsory school age to the rate of women 25-49 years without children

Given the great variability among sources and indicators the analysis of equity has not been done homogeneously for every measure.
Some examples

By NUTS2

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Some examples

By NUTS1

Homicides

Thefts

Fear of crime
(feeling unsafe when walking alone in the dark)

Security domain
Some examples

By SEX

Employment rate
Transition rate from temporary to stable jobs
Share of over-qualified employed persons

Work and life balance domain
Some examples

By AGE

People with a level of life satisfaction from 8 to 10

People very satisfied of their leisure time

People which believe their personal situation will improve in the next 5 years

Subjective wellbeing domain

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Some (other) examples

By Educational attainment

Early leavers and NEETs by parents’ educational attainment

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Compulsory</th>
<th>Upper Secondary</th>
<th>Tertiary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early leavers</td>
<td>27.7%</td>
<td>7.8%</td>
<td>2.9%</td>
</tr>
<tr>
<td>NEETs</td>
<td>38.3%</td>
<td>14.7%</td>
<td>10.2%</td>
</tr>
</tbody>
</table>

Internet users (at least once a week) by age and educational attainment

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Compulsory</th>
<th>Upper Secondary</th>
<th>Tertiary</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-44</td>
<td>65%</td>
<td>48.4%</td>
<td>81.7%</td>
</tr>
<tr>
<td>45-64</td>
<td>69.0%</td>
<td>30.6%</td>
<td>88.4%</td>
</tr>
<tr>
<td>65+</td>
<td>67.7%</td>
<td>43.8%</td>
<td>93.3%</td>
</tr>
</tbody>
</table>
By Social status

Time devoted to mobility

Early leavers and NEETs by parents’ status

- Technical professions
- Employees
- Workers and craftsmen
- Non qualified
- Non employed

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Open issues

How to build composite measures by domain?

• Building selected overall distribution indexes (such as Gini indexes) and integrate them into a synthetic domain measure

• Equity indexes for each indicator could be used as weights of aggregate measures

• Set of equity indexes might be aggregated in a single measure

• Finally, evaluate inequalities according to a core set of structural dimensions (e.g. region, gender, age, education, income, nationality) and represent each domain within a matrix “indicators by structural variables” (variation coefficients?). A synthetic measure of the domain synthesized the information contained within the matrix.
Thanks.

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