ECONOMISTS ANALYZE THE EFFECTS OF INVESTMENTS ON GOVERNANCE, SUSTAINABILITY AND WELFARE


Suppose you wanted to improve the governance of a country, see that its natural resources were conserved and its quality of life increased. All you have to work with is money. What would you do?

This is the problem faced by the six economists (evidently) in this extensive World Bank study that encompasses theory, empirical evidence, and recommendations for the future — all expressed in deeply economic terms.


Indicators in the Model
The authors use a number of indicators to constitute their model: — GDP per capita grows as a product of the constructive use of human, physical and natural capital. These interactions, they posit, lead to improved welfare. The sidebar identifies many of the country indicators. There are 191 national entities, but, most tables and graphs show fewer. One table (No. 1.1) presents correlations based upon from 20 to 121 countries. So, the study encompasses the world situation.

The authors focus upon evidence of policies that shape the growth process. They consider “the distribution of opportunities, the sustainability of the environment, the management of global risks, and governance” (p. xxv) to contribute directly to growth. The burden of this argument is carried by regression relationships over the sample of countries. Some relationships are encouraging, many are weak (and I may hazard a guess as to why they are weak).

A human development index is composed of reduction in infant mortality, reduction in illiteracy and an increase in life expectancy between 1980s and 1990s. The Borda index. So defined, Human development is not associated with educational spending, nor health spending, but it is weakly associated

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(correlations in the 30's) with indices of the rule of law and with governance, and with M2/GDP. (Table A1.1) These conclusions rest upon varying samples of countries, from 70 to 89.

GDP Growth

GDP growth does somewhat better. It correlates weakly (in the 20's) with health spending, a budget surplus, the government effectiveness index, and domestic environmental action. It shows up better with the rule of law index, correlating 0.41. Sustainable development is only associated significantly with international environmental action; all other associations are negligible. From 55 to 90 countries are employed.

These results (p. 180) are calculated without taking a lag in time into consideration. Nor is the age structure of the population considered. For example, the sequence of educational attendance of an age group, followed into the labor force at t + 15, say, would more likely give evidence of benefits of the educational expenditures than the concurrent evidence the authors employ. Introducing cohorts in such an analysis is trying, I know, but development needs to be considered as a sequential process. Undoubtedly, the lack of adequate population data for many developing countries hampered the analysis.

Demographics Neglected

The authors neglect population as a factor in development, citing poverty as giving rise to excessive population growth, and otherwise neglecting it except the mortality and longevity indicators. High rates of population growth are associated with low increases in per capita income. Rapid population growth has been associated with a slackening in economic development. These demographic observations are variously interpreted. The Marxist position holds that there is no cause-effect relation between population and development, maintaining that unjust institutions, not population, generates poverty, hunger and lower QOL. The Malthusian position holds that population growth, unless unchecked, will result in lower welfare unless economic development keeps pace. Whichever position is taken warrants an examination of demographic change in relation to economic development so that effects, whatever they are, may be assessed. This volume drops the ball.

An increase in literacy shows a faint but significant relationship to a decrease in infant mortality and its companion, an increase in life expectancy. It also is associated with another quality of life indicator, a decrease in water pollution. (r = -0.21).

(Continued on next page.)

![Diagram](https://example.com/diagram.png)

**Figure 1. A Framework**

Addressing the causes of poverty and transportation
Reducing pollution and improving health
Conserving natural resources and climate
Strengthening institutions

Source: A and B
Environmental Quality

An environmental quality index shows a negative association with growth in GDP (p. 9). \( r = -0.27 \) Environmental health risks, such as carbon dioxide omissions, account for one-fifth of total global disease. Natural capital is declining in both slow and fast growing economies. The study advocates putting the environment on a self-sustaining basis. It cites cases where growth is achieved without depleting natural capital. High quality growth is possible, it says, without excessive environmental degradation.

The study makes a strong case for good government. It demonstrates with data the consequences of poor governance. The rule of law is stronger where literacy prevails. Where control of corruption is stronger, infant mortality is lower. Bribery is higher where civil liberties are lower; the correlation over some 70 countries being \(-0.67\). Similarly, a free press is conducive to strong control of corruption. The authors suggest steps to improve governance, but admit that different country-to-country conditions will require varying strategies. Such admonitions as “involve all stockholders,” “empower people,” and “support economic liberalization” are not likely to carry weight in many developing nations.

Investment in Human Capital

One key to economic development, the study concludes, is investment in human capital: in education and in health care. An education Gini coefficient shows improvement where investments in education have been made, as in South Korea and Mexico, as one might expect. But the data presented do not support a strong case for schooling. It is the inadequacy of the data, not the relationship, I think. For example, an increase in literacy is negatively associated with an increase in life expectancy and negatively associated with a decrease in poverty. However, it shows a positive, albeit weak, association with infant mortality (p. 3).

Comment

One must admire this attempt to ferret out the kinds of investments that will improve the human condition, sustain the environment and improve governance. It is clear from the few significant associations registered by the data assembled that extensive additional measures and observations are needed. In particular, sensitive indicators are needed on factors associated with poverty, corruption, and freedom of expression. Some of these are cultural patterns, long ingrained in the society. Changing them cannot be done overnight nor through...
imposition from outside the society. One sympathizes with the authors in their attempt to discover relationships when data are available on only a few, say as few as 25, countries. But one must be aware that a sample that does not represent the population being studied can produce biased results. Perhaps some discipline is needed to acquire adequate samples of countries.

Demographic factors should be included in any examination of the human development. I have stated above my criticism on this point.

References to supporting studies:

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Index of Human Development
Three items are combined using the Borda ranking technique.
A. Reduction in infant mortality between 1980s and 1990s.
B. Reduction in adult illiteracy between same dates.
C. Increase in life expectancy between same dates.
(The Borda ranking technique: The countries are ranked on the criterion. The ranks are averaged. The countries are re-ranked on the average.)

Index of Sustainable Development
The items are combined using the Borda ranking technique.
A. Decline in emissions of carbon dioxide per capita between 1980s and 1990s.
B. Decrease in emission of organic water pollutants (kilograms per day per worker) between same dates.
C. The negative of annual average rate of deforestation measured over 1980-1995.

Income Growth
GDP growth rates between 1981 and 1998, and “intermediate indicators such as capital stock and TFP growth.”

Social Spending on Education and Health
Sums were expressed as percentages of GDP, and averaged over available periods, 1981-1997 for education and for 1990-1998 for health.

Environmental Commitment
Because more refined measures of government spending for sustainable development was not available, two dummy variables were used: one for action to form environmental strategy and one for signing the global treaty on climate change.

Macroeconomic Policy
Budget surplus as a percentage of GDP.

Openness
“Trade-to-GDP ratio, parallel market premium, change in mean tariff, and a measure of capital controls based upon Quinn (1997)” Etc.

Financial Depth, prudence, and risk management
“Financial depth as measured by the ratio of M2 to GDP and an index of financial repression... a lower value of the index represents a more liberal financial system.”

Governance Indicators
Six governance indicators – rule of law, government effectiveness, control of corruption, voice and accountability, regulatory burden, and political instability and violence – have been examined. Kaufman, Kraay, and Zoido-Lobaton (KKZ,1999a,b) used data from 13 organizations, covering 170 countries, for 1997-98. Details of their work are presented in the references at the end of this review.

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Figure 1.5: Environmental Changes Versus Growth of Income, 1981-98

Note: r=-0.27, p<0.05, n=56. The data are for 56 developing countries. Controlling for per capita income in 1981 gives a similar pattern and the same value for the correlation coefficient (-0.27).
Source: World Bank (2000c); authors’ computations
CRIME AND CRIME CONTROL:
An International Comparison with a focus on the Netherlands

This volume places the performance of the public sector in its efforts to control crime in the Netherlands in an international perspective. Using quantitative data, the report aims to make a link between the nature and volume of crime and the efforts of the public sector to fight crime. Autonomous or semi-autonomous factors such as the opportunity structure and the activities of the private sector to fight crime also are taken into account. The report compares the Netherlands with the European countries of Austria, Denmark, France, Germany, Sweden, and the United Kingdom, and outside Europe, with Australia, Canada, and the USA. It is stated that the reference countries are comparable in both economies and socio-cultural aspects and basically have good legal systems. The choice of countries for comparison also was limited by data availability.

Benchmarking and Determinants of Crime
The basic approach of the volume is to place the performance of the legal infrastructure in an international comparative perspective. It is argued that international comparison is one of the few ways of arriving at an assessment of a country’s own performance that is at least to some degree objective, and to systematically identify tried and true ways of improving this performance. International comparison is a tradition within the Dutch Ministry of Justice, and it also is linked to benchmarking as a management science method.

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### Box 1 Benchmarking

Benchmarking is a method borrowed from management science that aims to improve performance through comparison. There are various types of benchmark studies, but the following are frequently distinguished: benchmarking on the basis of standards set down in advance, on the basis of results and on the basis of processes. This report concerns results. Using this approach, the differences in performance are studied in a certain field between entities that are comparable in basic respects. After ascertaining which entity has achieved the best results, the next question is which policy measures contributed to its achievement. These policy measures, termed ‘best practices’, are then used to improve the results of entities that function less well. So it is in fact a heuristic method based on the expectation that differences in results can be more or less unequivocally attributed to differences in policy. Characteristic of benchmark studies is that, although they provide broad insight into the factors, ‘practices’, that play a role, the best policy measures cannot be convincingly deduced analytically.

The entities involved may be countries, but they may also be cities or companies. An example of result benchmarking in the public sector at a local level can be found in the UK (see box 14). International comparisons in the public sector that have been conducted in the Netherlands lie primarily in the field of international competitiveness.

In working with this type of research, one must safeguard against drawing straight lines between results and policy. An example of this would be attributing the low drug prices in the Netherlands solely to a liberal policy of toleration, while bypassing international differences in opportunity structure (such as the volume of goods flows). All kinds of environmental factors—factors on which government has little or no influence—can bring policy ‘practices’ such as safety of persons and property, guarantee of human rights, ease with which business can be done, international competi-

### Box 2 Determinants of crime and examples

<table>
<thead>
<tr>
<th>Opportunity structure</th>
<th>Private prevention</th>
</tr>
</thead>
<tbody>
<tr>
<td>• urbanisation</td>
<td>• informal supervision (social control)</td>
</tr>
<tr>
<td>• volume and concentration of flows of goods and services</td>
<td>• situational prevention</td>
</tr>
<tr>
<td>• goods in circulation that are likely to be stolen</td>
<td>• security sector</td>
</tr>
<tr>
<td>• clubbing behaviour</td>
<td>public prevention and repression</td>
</tr>
<tr>
<td></td>
<td>• magnitude and deployment of criminal justice system</td>
</tr>
<tr>
<td></td>
<td>• administrative prevention</td>
</tr>
<tr>
<td></td>
<td>• regulations, as with respect to security of homes</td>
</tr>
</tbody>
</table>

**Opportunity factors** concern the presence of targets of crime. This includes not only actual goods, but also the behaviour of potential victims (individuals and organisations) that may make them vulnerable to crime (pull factors).

**Facilitating factors** are factors specific to individuals that incite them to commit crimes (push factors).

**Private prevention** consists of the measures taken and the conduct of individuals and private organisations to prevent crime against themselves or third parties.

**Public prevention** and repression concerns the measures taken by the public sector to statutorily define, prevent and punish crime. With regard to the public sector, this report only looks at the volume and deployment of the criminal justice system.

Source: Cohen & Felson, 1979; Clarke, 1997; Van Dijk et al., 1998.
tion. With the exception of public crime prevention efforts supported by the government, these elements are environmental factors of an autonomous or semi-autonomous nature. The report argues that all four sets of factors must be taken into account in anything other than simplistic international comparisons. Account also must be taken of feedback loops. For instance, an opportunity structure that promotes crime leads to high crime rates, but societal reactions to this may reduce crime. If there is an opportunity structure that promotes crime, sizeable public and private expenditures on crime control may be expected. Furthermore, private and public expenditures may, to some extent, substitute for each other.

Some Key Findings
The report emphasizes that the study is of a limited and exploratory nature. The findings therefore are tentative. With this in mind, the report indicates that the most important findings are as follows.

- Compared with nine reference countries, the Netherlands has a substantial amount of crime, with much of it being less serious offenses (such as bicycle theft; but it should be noted that bicycles are used more extensively for transportation in Dutch urban areas than in most of the comparisons countries).

This finding is illustrated in Table S.1 (reproduced from page 6 of the report), which shows bar graphs of crimes against persons per 100,000 inhabitants for seven countries from the 1995 International Crime Victims Survey. It can be seen that the Netherlands and the United Kingdom have the greatest total number of victimization events reported—with over 60,000 per 100,000 population. The United States and Canada follow with just above and just below 50,000 victimization events reported. Next come Sweden and France with about 45,000 victimization events. Austria is at the low end—with about 32,000 victimization events reported.

Table S.1 also reports three component victimization rates—serious, less serious, and less serious excluding bicycle theft.

- These components show that the Netherlands occupies a middle position with respect to serious crimes against persons and violent crimes against businesses (including bank robberies). Among standard crime categories, only car thefts are markedly low in the Netherlands compared to the other countries.

Other analyses in the report show that:

- The Netherlands has a relatively low level of corruption in the public sector. But the Netherlands has:

  - a very large number of less serious crimes against persons and businesses;
  - a greater degree of violence, including fatal violence, in the (larger) cities and urban areas;
  - extensive international trafficking in drugs, while addiction remains around average (see the comparative data on hard drug users in Table 25 reproduced from page 27 of the report); and
  - there is a great deal of financial and economic crime.

References


The report also studies the crime opportunity structure of the Netherlands relative to the comparison countries. It concludes:

- An important reason why the crime profile of the Netherlands is different from the international profile seems to be the Dutch crime opportunity structure. In particular, the report cites a) the relatively high level of urbanization and b) the high volume of international flows of goods, services, and financial transactions in the Netherlands as key crime opportunity factors. The latter aspects of the crime opportunity structure in the Netherlands stem from its position as a port-of-entry for international trade with European Union countries. The report suggests that these crime opportunity factors are likely to worsen as a consequence of ongoing globalization of the world’s economies. Therefore, the Netherlands will have to make greater efforts towards prevention and repression than comparison countries if it is to achieve the same crime level as these countries.

The study’s examination of facilitating factors for crime leads to the conclusion:

- Differences of the crime profile of the Netherlands from that of the comparison countries cannot be explained by factors that motivate individuals to commit crimes. In particular, the age composition of the Dutch population and its juvenile unemployment and alcohol consumption levels are average. The report also notes that the low overall unemployment, poverty, and firearms possession rates should lead to less crime than in the comparison countries. This, in fact, probably is true with respect to the relatively low Dutch violent crime rate.

Regarding crime prevention efforts, the report concludes:

- Relative to the comparison countries, the Netherlands does little in the way of prevention efforts by private individuals and organizations. Public crime control (criminal justice system) expenditures are average. In particular, few preventive measures are taken by private citizens or by businesses, and there are a comparatively small number of private security officers. By comparison, the report’s examination of levels of government spending on crime control and the allocation of funds leads to several findings:

  - In relation to the volume of crime, public crime control expenditures are low.
  - The Dutch police force appears small relative to total criminal justice system expenditures. Furthermore, there seems to be a strong negative trend in the percentage of crimes that are solved, and the confidence of the public in the police is low.
  - The ratio of public prosecutors to total criminal justice system expenditures is low, as is the ratio to total staffing. On the other hand, the expenditures per solved case are relatively high.
  - On a per capita basis, the funds allocated by the Netherlands for the administration of justice (the judiciary), including criminal justice, are low.
  - The Dutch prison system is comparatively humane and thus relatively costly.

In summary, the report as represented by Boxes 1 and 2, I have contributed to the development of both the crime opportunity model in criminology (see e.g., Cohen, Felson, and Land, 1980, and Cohen, Kluegel, and Land, 1981) and of methods for efficiency frontier/benchmarking analysis (see, e.g., Land, Lovell, and Thore, 1993). But I am accustomed to not expecting these scholarly research literatures to be cited in government studies. Thus, I find this conceptual framework to be particularly well-informed. Crime is a complex phenomenon with multiple causes for which most criminologists would argue that we do not yet have a complete scientific understanding. Yet, there is a relatively high consensus among criminologists that the incidence of crime varies from place to place and over time and that the four sets of factors identified in Box 2 are among the most significant. If an understanding of the determinants of crime is difficult, however, the assessment of the performance of crime control policies and the criminal justice system, in particular, is even more demanding. Benchmarking is a useful tool for making comparative assessments of performance, as the tentative assessments in this report well illustrate.
The United States Federal Interagency Forum on Aging-Related Statistics released its first chartbook report this summer. The rationale for the report is that Americans age 65 or older are an important and growing segment of our population. Many Federal agencies provide data on various aspects of the challenges confronting older Americans. Because these data come from multiple agencies, it is sometimes difficult to understand how this group is faring overall. In light of the anticipated growth of this segment of the population, it is increasingly important for policymakers and the general public to have an accessible, easy to understand portrait that shows how older Americans are doing. The objective of this new interagency report is to provide a unified picture of the health and well-being of the older population of the U.S. (Italicized statements will be commented upon below.)

This new report focuses on several important areas in the lives of older people. Older Americans is the first in a continuing series of reports the Forum plans to produce. Federal agencies have collaborated to create a comprehensive set of indicators that can be followed over time. By following these data trends, more accessible information will be available to target efforts that can improve the lives of older Americans. The Forum hopes that this report will stimulate discussions by policymakers and the public, encourage exchanges between the data and policy communities, and foster improvements in Federal data collection on older Americans. By examining a broad range of indicators, researchers, policymakers, service providers, and the Federal government can better understand the areas of well-being that are improving for older Americans. Because these aspects of the challenges confront older Americans are doing. The objective of this new interagency report is to provide a unified picture of the health and well-being of the older population of the U.S. (Italicized statements will be commented upon below.)

Older Americans 2000: Key Indicators of Well-Being, 2000. Federal Interagency Forum on Aging-Related Statistics. For copies, contact Kristen Robinson, Ph.D., Staff Director, Federal Interagency Forum on Aging-Related Statistics, 6525 Belcrest Road, Room 790, Hyattsville, MD 20782. Tel: (301) 458-4460, fax: (301) 458-4037, e-mail: kgr@cdc.gov. The report also is available online at http://www. oldamericans2000.cdc.gov.

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...are presented in table format in Appendix A. Data source descriptions are provided in Appendix B. A glossary is supplied in Appendix C.

Highlights
The following are the main prevalence statistics and trends among the older U.S. population documented in the report, with the corresponding key indicators indicated.

Population
The demographics of aging continue to change dramatically. The older population is growing rapidly, and the aging of the “baby boomers,” born between 1946 and 1964, will accelerate this growth. Both the number and the proportion of older people relative to the rest of the population are increasing. This increase in the size of the older population is accompanied by rapid growth in the population age 85 and older, as well as increasing racial and ethnic diversity among all older people.

In 2000, there are an estimated 35 million persons ages 65 or older in the United States, accounting for almost 13 percent of the total population. The older population is expected to double over the next 30 years to 70 million by the year 2030. Over the next 50 years, the population age 85 and older is expected to grow faster than any other age group.

Economics
Generally, the economic status of older people has improved markedly over the past few decades. Poverty rates have declined and there has been a substantial increase in net worth for many older Americans. Still, major disparities exist, with older blacks and older women reporting fewer financial resources.

Health Status
The increase in life expectancy during the 20th century has been a remarkable achievement. Older age, however, is accompanied by increased risk of certain diseases and disorders. Significant proportions of older Americans suffer from a variety of chronic health conditions such as arthritis or hypertension. Despite these and other conditions, the rate of disability among older people has declined in recent years.

Americans are living longer than ever before. If mortality rates remain constant, persons age 65...
Health Risks and Behaviors
The social and behavioral aspects of life for older Americans can make a difference in health and well-being. Most older people report being socially active, which may contribute to their emotional and physical health. However, other measured aspects of social and health behaviors may threaten health, including the failure of many older adults to engage in physical activity, to have healthy diets, or to be vaccinated against influenza and pneumococcal disease.

The majority of persons ages 70 or older reported engaging in some form of social activity during a two-week period. About two out of every three persons age 70 or older reported that they were satisfied with their level of social activities. (Indicator 19.)

In 1995, about one third of older Americans reported a sedentary lifestyle (i.e., no leisure-time physical activities in a two-week period). (Indicator 20.)

From 1994 to 1996, a higher proportion of the population age 65 and older (21 percent) had diets that were rated "good" compared with persons ages 45 to 64 (13 percent). Even so, a majority of older persons reported diets that were poor (13 percent) or needed improvement (67 percent). (Indicator 23.)

Older persons are much less likely to be victims of both violent and property crime than persons ages 12 to 64. (Indicator 24.)

Health Care

Health care expenditures and use of services among older people are closely associated with age and disability status. There are large differences, for example, in health expenditures and use of services between persons ages 65 to 69 and persons age 85 or older. Older persons of all ages are generally satisfied with their health care and report few difficulties in obtaining health care services.

In 1996, the average annual expenditure on health care (both out-of-pocket expenditures and expenditures covered by insurance) was $5,864 among persons ages 65 to 69, compared with $16,465 among persons age 85 or older. (Indicator 25.)

Although dollar expenditures increase with income, the relative burden of health care costs is much higher among lower- and middle-income households compared with higher income households. (Indicator 27.)

Among Medicare beneficiaries not enrolled in HMOs (82 percent of all beneficiaries in 1998), the rate of hospital admissions during the year increased from 307 per 1,000 in 1990 to 365 per 1,000 in 1998.
However, the average length of stay in a hospital declined from 9 days to 6 days during the same time period. (Indicator 29.)

In 1997, about 1.5 million older persons (4 percent of the population age 65 or older) resided in nursing homes. This represents a decline since the mid-1980s in the proportion of older people living in nursing homes. Three-fourths of nursing home residents were women in 1997. Though a smaller proportion of older people were residents of nursing homes in 1997 compared with 1985, those who were in nursing homes were more likely to have serious functional limitations, such as incontinence, difficulty eating, or mobility limitation. (Indicator 30.)

The percentage of older Americans living in the community and receiving home care for disabilities declined from 18 percent in 1982 to 15 percent in 1994. Of those who received care in 1994, 64 percent relied exclusively on informal (unpaid) care, 8 percent received only formal care, and 28 percent received a combination of informal and formal care. (Indicator 31.)

Data Needs

In preparing the report, the Federal Interagency Forum on Aging-Related Statistics identified several areas where more data are needed to support research and policy efforts. These include:

- extending the age-reporting categories to provide more detail on the ages 85+ population;
- gathering more statistical information on older minorities (by oversampling);
- encouraging more consistency in measures of disability;
- including samples of the institutional population in more national surveys;
- distinguishing different type of long-term care facilities and the transitions that occur among them;
- gathering national statistics on elder abuse;
- improving our understanding of the reasons for increases in life expectancy and functioning;
- using improved methods for measuring both income and wealth that reduce missing data; and
- gathering information on the impact of transportation needs on the quality of life of older Americans.

Comment

The indicators assembled in this chartbook are organized around the following themes. First, they show the results of decades of progress. At the beginning of the 21st century, older Americans are living longer and enjoying greater prosperity than any previous generation. Second, despite these advances, persistent inequalities between the sexes, income classes, and racial and ethnic groups continue to exist. Third, the rapid growth of the older population over the next 50 years will intensify the need for policymakers, researchers, and community leaders to better understand the health and economic needs of older Americans. These are three of the main takeaway messages of the report.

As chartbooks produced by the U.S. Federal Government go, I would rate this report as about average. It reflects a "pulling off of the shelf" (by members of the Federal Forum) of a fairly conventional selection.
Disparities, perceptions and consequences of the relationship between rich and poor within and between countries were the topic of a two-day conference on October 13 and 14, 2000. The Working Group 6 “Social Indicators and Social Reporting” of the International Sociological Association (ISA), in cooperation with the “Social Structure and Social Reporting” department of the Social Science Research Center Berlin (WZB), were the hosts of this international conference. Researchers from 19 nations met and exchanged their interests and findings in 26 presentations. The event took place in the large hall of the WZB’s historical building in a very open and friendly atmosphere. It was organized by the current President of the ISA Working Group, Wolfgang Glatzer (Frankfurt/Main), and sponsored by the WZB—especially its senior director Wolfgang Zapf, the Hans Böckler-Foundation (Düsseldorf), the Josef Popper-Nährpflicht-Foundation (Frankfurt/Main), and by the social science department of the Johann Wolfgang Goethe-University Frankfurt/Main.

The conference was divided into seven sessions under headings that provided links between the papers presented in those sessions. In the first session, papers dealt with Global Disparities between Rich and Poor. Richard J. Estes (USA) in his introductory presentation “The ‘Poverties’: Competing Definitions and Alternative Approaches to Measurement” listed the various attempts and possibilities to empirically measure the extent and effect of poverty worldwide. He pointed especially to the remarkable global disparities between countries of different development levels. This was concretized in further papers with differing emphases. Krishna Mazumdar (India) showed in her contribution “Divergence or Convergence of Countries” ever rising disparities; for the example of “Poor Mozambique – Rich Austria”, Stefanie Knauder (Austria) pointed to the historically caused gap between the World’s North and South; finally, Mourad Moulay-Hadj (Algeria) specified the partly dramatic consequences resulting from these differences in welfare, by showing North African examples of “Intercontinental Disparities and Migration.” The fact that there are notable differences also between wealthy societies in Europe was shown by Joachim Vogel (Sweden) in his presentation “Poverty and Wealth in Europe”, which partly relied on analyses with the European household panel.

Intranational Disparities were the topic of the second session, where four country-specific case studies of more or less wealthy societies were presented. Richard Hauser and Irene Becker (Germany) focused mainly on “Inequalities between Income and Wealth”; on the basis of the German income and consumption survey 1988, they traced to what extent inequality of wealth exceeded inequality of income. Gennaro Iorio (Italy) pointed to the sociologically relevant “Social Construction of Poverty in the Italian Context”; he showed that on the one hand there is stigmatized poverty in Northern Italy, but that on the other hand, there is tolerated poverty to a large extent in Southern Italy. Simon Langlois (Canada) in his paper “Measurement of Poverty: The Case of Canada” dealt with the problems of measuring poverty and political ambitions to define different poverty lines for the various Canadian regions. The contribution by Stephen Horn (Australia) also centered on problems of measuring income inequality and on empirical results that partly differ remarkably from each other; for his paper “Assessing Trends in Poverty and Income Inequality in Australia” he (re)analyzed a number of empirical studies.

The third session included papers under the headline Poverty Problems in Local Context. Ruth N. Turley (USA) asked in her paper “When Does Relative Deprivation Matter?” if and how the local context has an influence on children in families with relatively low incomes. She was able to prove that a wealthy neighborhood had a positive influence on the cognitive development, but a negative influence on subjective factors. Krystyna Janicka (Poland) reported about “Permanent...
In the next to last session, The Dynamics of Poverty and Wealth were discussed in two contributions. Georg Müller (Switzerland) showed in his presentation “Explaining Poverty: On the Structural Constraints of Income Mobility”, that the two analytical perspectives of income poverty (structural factors versus individual dimension) can be added together by the concept of “mobility spaces”. Tek Nath Dhakal (Finland) presented in his paper “The Dynamics of the Poverty Problem in Nepal” results of a large field study about the in part not very successful role and function of NGOs regarding a sustainable improvement of rural living conditions and overcoming poverty in Nepal.

The final session consisted of papers on Poverty and Wealth in the Context of Political and Economic Developments. Here, Farhad Hossain (Finland) analyzed conclusively the specific role of NGOs in the least developed countries, where these organizations have grown substantially in recent years. Whether they can fulfill the assigned role as “Global Response to Poverty Alleviation” remains – in spite of partially positive results – to be seen for Southern Asian countries (like Bangladesh and Nepal). Michael Hagarty (USA) in his contribution “Tracking Political Damage from Decline in Quality of Life: Results from 13 OECD Countries” showed estimates of a correlation between rising social inequality and non-reelection of governing parties. To provide a theoretical framework for “Social Policies, Power and Social Cohesion” was the purpose of a paper by Sergio Reuben (Costa Rica). Siti T. Hettige (Sri Lanka) in his presentation “Economic Growth and Social Polarization under Globalization” questioned the thesis that with the desired economic liberalization during the last two decades changes had taken place that led to polarization rather than to a substantial reduction of poverty, inequality, or unemployment in Sri Lanka.

As this wide variety of topics and regions shows, many different aspects of “Rich and Poor” were dealt with, distinctive approaches were used – whether comparing several countries or describing the situation in one country, whether using large-scale statistical analyses or qualitative methods with small groups of people. Wolfgang Glatter emphasized several times the point that concepts and research about poverty are inextricably bound to concepts and research about wealth. Both dimensions influence each other in conceptualization and in reality. Also, some of the papers had a very strong notion of whether the circumstances shown – the disparities between rich and poor - are right or wrong, whereas others saw those disparities as structural features not always being harmful within societies or in relations between societies. Since the speakers came from very different backgrounds as well (ranging from professors in established positions to promising younger researchers, from those in public service to others in private businesses, and of course from richer and poorer nations) the conference was rather communicative and also critical without hostility. Thus, the conference provided a very open atmosphere that was used for hearing about various aspects of the complicated terms “Rich” and “Poor”, for meeting other researchers that were interested in this topic, and for animated discussions in smaller groups during breaks. An edited volume of conference contributions is in preparation for publication.

The Board of the ISA-WG-6 currently consists of the following members: Wolfgang Glatter (president), Kenneth Land (vice-president), Alex Michalos (past-president), Ruut Veenhoven (secretary-treasurer), Additional board members: Bruce Headey, Torbjörn Moun, Ramkrishna Mukherjee, Heinz-Herbert Noll, and Joachim Vogel. WG-6 invites new members working in the field of social indicators and social reporting. There are no direct membership fees for the WG, but we are a subgroup of ISA, and it is expected that you will become member of the International Sociological Association (email: isa@sis.ucm.es).

~ Roland Habich and Susanne von Below

(Continued from page 11.)

...CRIME CONTROL

of statistical indicators of social and economic conditions of the older part of the U.S. population. Two things are missing from the report. First, despite reference to the term “quality of life” at various points in the report, there is no clear conceptualization of a quality-of-life construct to guide the selection and organization of the indicators included in the chartbook. Indeed, there evidently is not even an awareness of the existence of the large body of studies—much of it published in the journal Social Indicators Research—of how various domains of life (e.g., material well-being, health, social relationships) relate to the subjective well-being of individuals (happiness, satisfaction with life), including older persons, that has appeared over the past three decades. Second, despite the promise (see the italicized statements in the introduction to this review) that this chartbook would show the reader how older Americans are faring overall, the fact is that the report contains some 31 discrete indicators for which there is no attempt to provide a summary index of changes (improvements or deterioration) in overall well-being. Clearly, future versions of this chartbook could benefit from an interaction with academic quality-of-life researchers who are conducting research relevant to these two deficiencies. The Office of the Demography of Aging of the National Institute on Aging, which funded the work of the Forum that led to the production of this report, would be well-advised to fund a number of academic research projects on the quality of life of older American that will lead to advances on these two subjects. Ultimately, this could lead to improvements in the conceptual framework and substance of future editions of this chartbook.

~ Kenneth C. Land

(Continued from previous page.) that “objective” living conditions and their subjective perception are not always compatible when poverty and inequality are concerned, was shown by Maria Angeles Duran for Spain and Mahar Mangahas for the Philippines, while Peggy Schyns (Netherlands) pointed to different relative patterns in “Income and Satisfaction in the Russian Federation and Germany”.

"Social Policies, Power and Social Cohesion" was the purpose of a paper consisting of the following members: Wolfgang Glatter, Kenneth Land, Geert-Jan Munnichs, Alex Michalos, Ruut Veenhoven, and Joachim Vogel. The office of the Demography of Aging of the National Institute on Aging, which funded the work of the Forum that led to the production of this report, would be well-advised to fund a number of academic research projects on the quality of life of older American that will lead to advances on these two subjects. Ultimately, this could lead to improvements in the conceptual framework and substance of future editions of this chartbook.

~ Kenneth C. Land
HOMEPAGE

SINET has a homepage entry on the World Wide Web. It is located on the homepage of the Department of Sociology at Duke University and thus can be accessed by clicking on Department Publications on the address of that page, namely, http://www.soc.duke.edu/or by typing in the full address http://www.soc.duke.edu/dept/sinet/index.html. The homepage for SINET contains a description of the Contents of the Current Issue as well as of Previous Issues. In addition, it has Subscription Information, Editorial Information, Issue-Related Links, and a link to the homepage of ISQOLS, the International Society for Quality-of-Life Studies. The Issue-Related Links button has links to World Wide Web locations of data for the construction, study, and analysis of social and quality-of-life indicators that have been identified in previous issues of SINET. When you are surfing the Web, surf on in to our homepage.

Life Satisfaction Slightly Better in Europe

A new Eurobarometer survey shows life satisfaction up from 78 percent in 1989 to 82 in 1999. The trend over the 27 year span of the survey has varied only from 75 to 83. Variation among countries, however, is considerable. Greeks in 1999 registered only 63 percent satisfied with life, and Poles 67 percent, while, at the other extreme, the Danes show 96 percent satisfied.

Population and the Environment

A new release by Population Action International, a non-profit research and action group working for a better adjustment of population, reviews linkages between population trends and the environment. Topics include people and water, people and land, people and forests, and fisheries, and carbon dioxide, and biodiversity. The purpose of the report is to show trends in the people/environment nexus. To that end, a table by country shows population projections and the per capita future relation in each country of the people/water, people/land, people/forest relationships. Data for 158 countries is shown. By text, graph, and map the case for conserving the ecology is explored. RobertEngelman, Richard P.Cincotta, Bonnie Dye, Tom Gardner-Outlaw, and JenniferWisnewski, 2000. People in the Balance, Population Action International, 130019thSt..NW,Wash
THE 2001 ISQOLS CONFERENCE

CALL FOR PARTICIPATION IN
ORGANIZING TRACKS

M. Joseph Sirgy, Executive Director of the International Society for Quality of Life Studies, has communicated the following call for participation in organizing the 2001 Conference of the Society.

Conference Theme: “How to Measure Quality of Life of Different Populations in Different Settings for Different Policy Goals”

Conference Program Co-Chairs: Don Rahtz, Joe Sirgy, and Josh Samli

Conference Time and Location: Last week of November/first week of December, 2001 in Washington, D.C., (USA). We are in the process of negotiation with two hotels in Washington, DC.

Conference Tracks: We are planning to break down the conference tracks along five sets of tracks:

1. Unit-of-analysis tracks. We are planning to have several tracks focusing on different units of analysis, e.g., QOL indicators and models at the societal level, at the city or regional level, at the family level, and at the individual level.

2. Life domain tracks. We are planning to have several tracks that are domain-specific, e.g., QOL indicators and models of economic well-being, environmental well-being, leisure well-being, health-related well-being, community well-being, work well-being, education well-being, housing/neighborhood well-being, spiritual well-being, financial well-being, and consumer well-being.

3. Population-specific tracks. We are planning to have several tracks that are population-specific, e.g., QOL indicators and models in relation to developing economies, women, children/adolescents, minorities, the disabled, the elderly, students, and specific countries.

4. Institution-specific tracks. We are planning to have several tracks that are institution-specific, e.g., media and QOL, business and QOL, government and QOL, and science/technology and QOL.

5. Methods-related tracks. We are planning several tracks in this area such as new and nontraditional measures and methods of QOL research, problems and solutions in objective measures of QOL, problems and solutions in subjective measures of QOL, and problems and solutions in cross-cultural research in QOL.

We would like to maintain ISQOLS’ tradition of INCLUSION, i.e., we would like to invite you to volunteer to co-chair any of the aforementioned tracks. If you agree to do this, your name and address will be printed in the call for abstracts which will be circulated widely worldwide in academic circles, as well be published in the conference website. As a track co-chair your responsibilities will be the following: (a) Distribute the printed call for abstracts to QOL researchers that you know who may be interested in presenting their research at the 2001 ISQOLS Conference in Washington DC. (b) Publicize the call for papers and the conference website to academic and professional societies directly related to your track, by communicating with these societies and publicize the conference and your track in their societies newsletter, listserves, and journals. (c) Receive abstracts in your track and evaluate them for their appropriateness and inclusion at the conference. (d) Recommend acceptance/rejection to the conference co-chairs and pass along the recommended abstracts to the conference proceedings editor with authors’ contact information. (e) Develop one panel session involving well-known scholars in your area, i.e., invite several QOL researchers in your track area to speak on a particular topic (within your track area) you think has “mass appeal.” And (f) help distribute the preliminary and final conference programs to all those you think may be interested in attending the conference but are not presenters.

If you are interested in co-chairing any of the aforementioned tracks, please communicate with Joe Sirgy (sirgy@vt.edu), Don Rahtz (dxraht@dogwood.tyler.wm.edu), or Josh Samli (jsamli@unf.edu) as soon as possible. The Conference Program Co-Chairs would like to finalize the planning of the conference tracks and have everyone signed up as soon as possible. A call for abstracts and a completed conference website then will be published. Please volunteer to help ensure a great 2001 ISQOLS conference.

Regression Analysis of Count Data

A new mathematically-based text that may be useful in analysis of social indicators has been released by Cambridge University Press.

Count data encompass a variety of statistics that are enumerated. Examples are recreational trips, doctor visits, bank failures, criminal careers, etc. As an example of the latter, criminal careers, the authors cite the study by Nagin and Land (1993) in which criminal offenses of 411 men over 20 years were analyzed. A number of psychological, background, and criminal activity variables were available. The model included the mean rate of a crime occurring in a period of time. A nonparametric model was adopted.

The volume presents a number of different models: likelihood based model, generalized linear model, moment based models, and others. Time series data are also included. The volume is in the Econometric Society Monograph Series.

~ Abbott L. Ferriss

~ Abbott L. Ferriss

THE INTERNATIONAL SOCIETY FOR QUALITY-OF-LIFE STUDIES

The International Society for Quality-of-Life Studies (ISQOLS) was formed in the mid-1990s. The objectives of ISQOLS are: 1) to stimulate interdisciplinary research in quality-of-life (QOL) studies within the managerial (policy), behavioral, social, medical, and environmental sciences; 2) to provide an organization which all academic, business, nonprofit, and government researchers who are interested in QOL studies can coordinate their efforts to advance the knowledge base and to create positive social change; and 3) to encourage closer cooperation among scholars engaged in QOL research to develop better theory, methods, measures, and intervention programs. The year 2000 membership fees are US$35 for regular members and $25 for students or retired persons. Prof. M. JOSEPH SIRGY (Virginia Tech and State University) is Executive Director of ISQOLS. Anyone interested in knowing more about ISQOLS should contact Prof. Sirgy at the central office: International Society for Quality-of-Life Studies, Dept. of Marketing, Pamplin College of Business, Virginia Tech, Blacksburg, VA 24061-0236; tel.: 540-231-5110; fax: 540-231-3076; e-mail: sirgy@vt.edu. The Society’s homepage on the Internet also can be accessed at “http://www.cob.vt.edu/market/isqols/”. The homepage also contains information about the Society’s 1998 Conference held December 3-6 in Williamsburg, Virginia and plans for the next conference to be held July 20-23, 2000 in Girona, Spain.

Subscription Information

As a service to the world-wide social indicators community, SINET is issued quarterly (February, May, August, November). Subscribers and network participants are invited to report news of their social indicator activity, research, policy development, etc., to the Editor for publication. Deadlines are the 20th of the month prior to each issue.

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