UNITED NATIONS
ECONOMIC COMMISSION FOR EUROPE

CONFERENCE OF EUROPEAN STATISTICIANS

Meeting of the 2017/2018 Bureau
Helsinki (Finland), 14-15 February 2018

ECE/CES/BUR/2018/FEB/2/Add.1
29 January 2018

For discussion and
recommendations

Item II (a) of the Provisional
Agenda

IN-DEPTH REVIEW OF MEASURING SOCIAL EXCLUSION

Note by UNDP

This note provides comments from the United Nations Development Programme (UNDP) on the in-depth review of measuring social exclusion (presented in document 2).

1.   The paper recognizes the lack of a concrete definition of social inclusion and exclusion as one of the obstacles for measurement. This is indeed a big issue and a challenge, however, we would suggest to focus on developing a "unified approach" rather than a "concrete definition". Social exclusion, as authors noted, is an inability to fully participate in the life of society. Therefore, this is a relative concept (contrary to absolute concepts, like poverty rate based on calories intake, for instance), related to a current situation of a particular society. In turn, it has a huge implication – definitions of these deprivations and the lack of participation are highly contextual, and one has to choose between country relevance and inter-country comparability.

2.   In practice, the first attempt to measure social exclusion in the European Union (EU) resulted in quite a complex system, which included (a) limited set of comparable "overarching" indicators; (b) country- and sector-specific indicators; and (c) process of Open Method of Coordination, inter alia to add meaning to the figures. We faced similar difficulty in the Regional Human Development Report (RHDR), while designing a regional Social Exclusion Index.

3.   Social exclusion is a more complex and dynamic process than just a sum of deprivations, and social inclusion is not simply the antonym of it. As the authors of the in-depth review mentioned, capabilities approach could be of great use here, as it could help to distinguish what exactly we are measuring. For instance, (Sabina Alkire used this example), low caloric intake during the fasting period should not be treated as a sign of deprivation or exclusion, because fasting, voluntary limitation of diet, is a part of being part of society. On the other hand, self-exclusion happens – for instance Roma parents used to withdraw kids from schools at early age because they did not believe additional education could help the children.

4.   Policymakers should "see" (i.e. understand and measure) the whole chain or cycle of exclusion to break it. For instance, supply side school policies are not enough to bring Roma kids to school, as it requires both reducing barriers at the labour markets to make education useful and addressing perceptions. However, this poses a serious question for national statistical offices – exactly what aspects of social exclusions should we measure? The answer

could be quite different depending on who is asked, as there are many options: excluded groups and their personal characteristics, drivers of exclusion, personal experience with exclusion, perceptions, denied access and limited participation.

5.   In RHDR 2011 UNDP had to take a number of decisions, which helped us to move forward with the measurement of social exclusion, including:

- We designed a social exclusion framework separating different elements of social exclusion process (see Figure 1 in the background paper). These include the drivers of social exclusion, personal characteristics, local conditions and status of social exclusion *per se*. We measured all elements (to the extent possible) using different tools. Some elements were measured through survey and perception questions, for some we employed expert opinion, and some other we obtained from local datasets.
- We decided a number of things regarding social exclusion index. We agreed, *inter alia*, it should be (to the extent possible) objective, i.e. excluding all perception "I feel…" and including only the status or experience "Last time I needed … I did not get it"; we designed it to be relevant for Europe and the Central Asian region; we designed it to be policy-relevant, with possibility to correlate it with other variables, which we included in survey and get elsewhere; we designed index to include 3 big areas and 24 indicators in a self-balanced way.
- On a side note – we used two interesting techniques while looking through Social Exclusion Chain and correlating social exclusion status with drivers, personal characteristics, and local conditions. First, we tried to disaggregate beyond "usual suspects" to capture internal heterogeneity of groups—young people *vs* young people living in villages *vs* young people with low education living in villages, etc. Second, we used what we called "Secondary Sources Contextualization" to bring policy-relevant variables into study—e.g. number of doctors in locality or share of organized employment. This could be an interesting question for national statistical offices to discuss. On the one hand, this is not a typical work for national statistical offices, and most probably think-tanks or academia could be engaged in this work, but collaboration could be crucial. One the other hand, it makes use of existing data, and could help national statistical offices to see where demand is (we used really great Serbia Municipality database http://devinfo.stat.gov.rs/), and better position national statistical offices as a provider of relevant data of high quality.

6.   While the UNDP Social Exclusion Survey was quite different from national statistical offices' work, we worked quite closely with them. The pilot survey had been implemented in Moldova through the national statistical office, the social exclusion module had been added to regular household budget survey (HBS) questionnaire. After the Regional Survey, we worked with a number of countries, discussing possibilities of including social exclusion module into regular surveys—please see background notes for Albania and Ukraine. We find out that regular HBS typically covers many variables for economic and public services exclusion, while political and civic participation are typically left aside. This is a big question if national statistical offices would like or could do collection for such variables. In this region, it seems that only Kyrgyzstan collects similar data through HBS (about trust to public institutions, http://stat.kg/en/indeks-doveriya-naseleniya/). Perhaps, this could be interesting topic for national statistical offices to explore and discuss.

Editorial corrections:

7.   Please replace UNDP (n.d.) with the correct reference UNDP, 2011. Beyond Transition: Towards Inclusive Societies. Regional Human Development Report. URL http://hdr.undp.org/en/content/beyond-transition. Also please fix the date in para 24, as the report was published in 2011, while the underlying survey was conducted in 2009. Hence, the measure should refer to either of these dates, not 2010.

8.   Para 24 is a bit misleading. The scope of the UNDP Social Exclusion Index was exactly opposite to measuring "basic needs". It was rather created (i) to promote multidimensional measurement; (ii) to complement material deprivations (in a broad sense) with access to social services and civic and political participation; and (iii) to focus on individual situation rather than "excluded groups", as they are internally heterogeneous. Please find the attached Working Paper, which explains the approach in detail.

* * * * *