

HEINZ-HERBERT NOLL

TOWARDS A EUROPEAN SYSTEM OF SOCIAL
INDICATORS: THEORETICAL FRAMEWORK AND SYSTEM
ARCHITECTURE *

ABSTRACT. By developing a “European System of Social Indicators” the scientific community as well as policy makers are being provided with a theoretically well-grounded as well as methodologically sound tool of social measurement to be used to continuously monitor and analyse the development of welfare as well as general trends of social change in European societies. The article focuses on the development of a conceptual framework, to be used to guide and justify the selection of measurement dimensions and indicators. Based on an extensive review of theoretical concepts of welfare and an exploration of political goals of societal development at the European level, six major categories of goal dimensions, referring to the concepts of quality of life, social cohesion and sustainability have been identified as the backbones of the conceptual framework. In addition, the article presents the main features of the architecture of the European System of Social Indicators and lays out its main structural elements and characteristics.

INTRODUCTION¹

In recent years social reporting activities – efforts to monitor and systematically describe and analyse the current state of and changes in living conditions and the quality of life – have been given new priority. The process of European integration has obviously stimulated the development of such monitoring and reporting activities not only at the supranational, but also at national and sub-national levels. The improvement of living conditions and the quality of life in the member states are among the main goals of the European Union, as stated for example in the Maastricht treaty. Accordingly, the availability of appropriate knowledge and systematic information on social conditions within and across European societies as

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provided by social monitoring and reporting will be of crucial importance to enhance European integration and cohesion and to create the “Social Europe” of the 21st century.

Establishing a science based European system of social reporting is the overall objective of the EuReporting project. As part of this project an “European System of Social Indicators” is going to be developed. As a result of our research the scientific community, policy makers as well as other potential users shall be provided with a theoretically as well as methodologically well-grounded selection of measurement dimensions and indicators to be used as an instrument to continuously monitor and analyse the development of welfare and quality of life as well as changes in the social structure of European societies and the European Union.

To achieve these objectives, such an indicators system is supposed to meet certain requirements:

- coverage of the ‘European dimension’ (e.g. identity, cohesion)
- science based, concept driven approach
- incorporation of new dimensions of welfare and social change
- search for – with respect to validity and reliability – improved or new indicators
- making use of the best available data bases and ensuring comparability across national societies

By constructing a system of social indicators one faces certain basic problems of measurement. First of all, there is the most basic question of what ought to be measured and monitored? In order to be able to provide a sound answer to this crucial question, a conceptual framework is needed, which specifies concerns and dimensions of measurement to be covered by the indicators system. Second, by developing a system of social indicators one has to determine structural elements and to define the procedures of measurement. This is the purpose of a systems architecture. And third, by constructing a system of social indicators, certain formal criteria need to be respected: The various parts of a system of social indicators need to be consistent, indicators shall be non-redundant, the system shall be comprehensive in terms of including all relevant dimensions of measurement and finally it shall also be parsimonious in the sense of using no more indicators than the number actually needed for appropriate measurement.

CONCEPTS OF WELFARE AND GOALS OF SOCIETAL
DEVELOPMENT: ELEMENTS OF A CONCEPTUAL FRAMEWORK

As a first step in constructing such an indicators system, the development of a conceptual framework is of crucial importance. The purpose of such a framework is to guide and to justify the selection of measurement dimensions and indicators. As measures of welfare and social change social indicators are supposed to refer to societal goals and be relevant for the policy making process. Thus, the conceptual framework should determine the goal dimensions and political concerns to be covered by the indicators system. Since the indicators system is primarily supposed to serve the function of monitoring the attainment of welfare goals in Europe, the question arises, which concept of 'welfare' is going to be used, which components and dimensions are to be covered and to which goals of societal development it is related. In order to determine welfare components and the goals of societal development in Europe as the major elements of the theoretical framework, two kinds of analysis have been undertaken:

- an analysis of the goals of societal development as they are explicitly or implicitly considered by various concepts of welfare which have been developed and discussed within the social sciences as well as the political debate such as quality of life or more recent concepts like sustainability or social quality.
- an exploration of goals of welfare and societal development as they are expressed at the level of European politics. In order to identify these political goals an analysis of European social concerns, common objectives and goals of the EU member states as indicated in the European Treaties (Rome, 1957; Maastricht, 1992; Amsterdam, 1997) and official documents of the European Commission has been carried out.

Concepts of Welfare

The main purpose of a European System of Social Indicators as being developed in our project is the measurement and monitoring of the level of and changes in the welfare of European citizens. There are different notions of what constitutes a 'good life' or a 'good society' and correspondingly different concepts of welfare

have been developed. Only a few decades ago, the notion of welfare still used to be synonymous with material wealth, and rates of economic growth turned out to be the main criteria for assessing social progress. Later on a broader conception of welfare emerged, which also included non-material and qualitative aspects of development, and thus quality of life became the leading welfare goal and perspective of societal development (see below).

Among the welfare concepts included into our analysis, the concept of quality of life is probably the most widely recognised and the most frequently used framework for analysing changes of welfare across time and inequalities of welfare within a society. It has stimulated much research on empirical welfare measurement. Various approaches of operationalisation are to be distinguished. Each approach reveals a different notion of the concept and thus highlights different ideas on relevant components and dimensions of welfare. The more recent welfare concepts discussed here – liveability, social cohesion, social exclusion, social capital, human development, sustainability, social quality – are less approved so far. They are still characterised by deficiencies of empirical operationalisation and partially also of theoretical elaboration and clarification. Especially, the relationships among these “new” concepts as well as their relations to the quality of life concept have not been sufficiently clarified yet, although implicit linkages are obvious.

Quality of Life

The concept of quality of life arose at the end of the 1960s as an alternative to the by that time dominant societal goal of an increasing material level of living. Besides material dimensions of welfare, the concept encompasses immaterial aspects of the living situation like health, social relations or the quality of the natural environment. Moreover, quality of life was supposed to include objective features – the actual living conditions – as well as the subjective well-being of the individual citizens (Argyle, 1996).²

Among the various efforts to operationalise the quality of life concept, two rather contrary approaches are to be distinguished (Noll and Zapf, 1994): the Scandinavian level of living approach (Erikson, 1993; Uusitalo, 1994) and the American quality-of-life approach (Campbell, Converse and Rodgers, 1976). The

Scandinavian approach focuses almost exclusively on resources and objective living conditions, whereas the American approach emphasises the subjective well-being of people as a final outcome of conditions and processes. These distinctive views are the result of alternative conceptualisations of the idea of quality of life, welfare and not the least a good society.

Besides the contrasting notions of quality of life as ‘individuals’ command over resources’ on the one side and as subjective well-being on the other, there have been broader conceptions and operationalisations of quality of life which include objective as well as subjective elements. The consideration of objective as well as subjective indicators is nowadays the prevailing research strategy.

Such a broader concept of quality of life was taken as the basis of Erik Allardt’s “Comparative Scandinavian Welfare Study” as early as in 1972. This approach distinguishes between three basic needs of human beings – Having, Loving and Being (Allardt, 1973). Within each category, objective as well as subjective dimensions of need satisfaction are included. Another approach combining objective as well as subjective dimensions is based on the German notion of quality of life focussing on the constellation of objective living conditions and subjective well-being across different life domains (Zapf, 1984). Objective living conditions include the ascertainable living circumstances, such as living standards, working conditions or the state of health. Subjective well-being concerns general as well as domain-specific assessments and evaluations of living conditions and includes cognitive as well as affective components. The following typology of welfare positions distinguishes between four constellations of objective living conditions and subjective well-being:

Objective living conditions	Subjective well-being	
	Good	Bad
Good	Well-being	Dissonance
Bad	Adaptation	Deprivation

Source: Zapf, 1984: p. 25.

Figure 1. Typology of welfare positions.

The constellation of good living conditions and positive subjective well-being is called well-being. The combination of good

living conditions and negative subjective well-being is denoted as dissonance. Poor living conditions coinciding with low subjective well-being represents a situation of deprivation. And finally, poor living conditions but nevertheless high subjective well-being is described as adaptation (Zapf, 1984: pp. 25–26).

In trying to determine the most distinctive features of the various conceptualisations of quality of life as presented above, one has to differentiate first between objective and subjective notions. Secondly, there are different conceptions of objective as well as of subjective approaches. Concerning the objective dimensions of quality of life, one can distinguish the idea of resources or capabilities (Sen, 1993) as means to enhance the quality of life from the focus on living conditions as the outcomes or end states of societal processes. Within the category of subjective assessments of quality of life, an important distinction is that between cognitive and affective components of well-being.

A common feature of all approaches is the more or less implicit or explicit conceptualisation of quality of life as concerning *individual* characteristics. Dimensions of welfare related to *societal* characteristics and qualities such as equality, equity, freedom, or solidarity – which affect the welfare situation of individuals at least indirectly – have been rather neglected, at least as far as empirical measurement and research is concerned, although they have been part of the early notions of the concept of quality of life. In contrast to this, the more recent welfare concepts – as they are subject of the following section – put the focus more explicitly on aspects concerning the quality of societies, the distribution of welfare and social relations within societies.

Concepts of the Quality of Societies

The concepts referring to welfare related characteristics of societies, such as distributional and relational aspects, have become popular mainly during the second half of the 1980s and during the 1990s. Some of these theoretical approaches are rather comprehensive, such as the concept of Human Development and the most recent concept of Social Quality. Others, as for example the concepts of Social Exclusion and Social Capital, focus primarily on special welfare issues. There is a substantial overlap between these concepts

and some of the ideas dealt with are not really new but have also been part of early notions of the quality of life concept.

Liveability and the Quality of Nations

The concept of liveability has been introduced by Veenhoven (1996, 1997) as a performance criterion of societies. It is defined “*as the degree to which its provisions and requirements fit with the needs and capacities of its citizens*” (Veenhoven, 1996: p. 7). Two approaches to operationalise this concept have been discussed (Veenhoven, 1996: p. 17 ff). The first approach is measurement by so-called input indicators which refer to living conditions of a society and which are expected to match the citizens’ needs and capacities, such as wealth, political freedom, equality, access to education. Two problems have been identified with this approach: (1) the implicit assumption on human needs and capacities and (2) the assumption that the more of a condition the better the liveability. Thus, an alternative approach has been proposed, the measurement by so-called output indicators which are supposed to capture the degree to which people “flourish” in a society. Indicators of physical and mental health, overall satisfaction and happiness are proposed as appropriate measures of “flourishing” (Veenhoven, 1996: p. 12). It is assumed that a good health and a positive appraisal of life are outcomes of societal conditions which meet the citizens’ needs and capacities and thus can be regarded as indicators of the liveability of a society.

As far as the relation between the concepts of liveability and quality of life is concerned, liveability on the one hand is considered as a characteristic of a good society, on the other it has been denoted as quality of life within a society and thus been defined with a clear reference to individual characteristics such as needs and capacities. Hence, the concept of liveability comes fairly close to the notion of quality of life as an end state, measured by indicators of subjective well-being.

Social Cohesion, Social Exclusion, Social Capital

The concepts of social cohesion, social exclusion and social capital are all closely related to each other, and there are further concepts such as social inclusion, social integration, and civil society which could be mentioned in this context as well. Referring to Emile

Durkheim, all these concepts can be seen as being primarily concerned with the possibilities and preconditions of societal integration and solidarity (Noll, 1999: p. 19). Common to all concepts is the concern with the interrelations between units of the society such as individuals, groups, associations, institutions as well as territorial units. Among these concepts social cohesion embodies the most comprehensive perspective, which includes aspects addressed by the concepts of social exclusion and social capital, too.

Social Cohesion is considered to be a characteristic of a society dealing with the relations among members of that society and the bounding effect of these relations (McCracken, 1998). Among the notions mentioned in describing social cohesion are shared values and communities of interpretation, feelings of a common identity, a sense of belonging to the same community, trust among individuals as well as towards institutions and not the least the reduction of disparities (Woolley, 1998; Jenson, 1998b). The Social Cohesion Network of the Policy Research Initiative of the Canadian Government has promoted a definition of social cohesion as “the ongoing process of developing a community of shared values, shared challenges and equal opportunity within Canada, based on a sense of trust, hope and reciprocity among all Canadians” (PRI, 1999: p. 22). Emile Durkheim turns out to be the first scholar who discussed and made use of the concept of social cohesion. He considered social cohesion as an ordering feature of a society and defined it as the interdependence between the members of the society, shared loyalties and solidarity (Jenson, 1998b).

In recent years the concept of social cohesion received great attention by policy circles at the national and supranational level. Besides the Canadian government, the French and the Dutch Government, the OECD, the Council of Europe, the European Commission, and the Club of Rome have Concerned themselves with issues of social cohesion (Jenson, 1998b; PRI, 1999). Moreover, the British Liberal Party established a “Commission of Wealth Creation and Social Cohesion” directed by Ralf Dahrendorf (Noll, 1999: p. 21). The increasing popularity of the concept is most likely due to various aspects of economic and social change which are currently considered to threaten the social cohesion of societies

such as rising income inequality, poverty, unemployment, and crime (Jenson, 1998b).

As a detailed review of the literature reveals (Berger-Schmitt and Noll, 2000), the concept of social cohesion incorporates mainly two goal dimensions of societal development which may be related to each other but should be distinguished though analytically:

- The first dimension concerns the reduction of disparities, inequalities, fragmentations and cleavages which have also been denoted as fault lines of societies. The concept of social exclusion is covered by this notion too.
- The second dimension embraces all forces strengthening social connections, ties and commitments to and within a community. This dimension includes the concept of social capital.

Towards the end of the 1980s the concept of social exclusion has become more and more popular. In recent years, it has represented one of the most widely used concepts in scientific and political debates on social issues and has inspired a large amount of literature. The popularity of the concept was particularly promoted through the growing interest in matters of social exclusion at the level of the European Union. The origin of the concept can be traced back to France, where the term has been used in the context of debates on a new poverty and defined as a rupture of the relationship between the individual and the society (Silver, 1994; Rodgers, Gore and Figueiredo, 1995; de Haan, 1999). In contrast to the concept of poverty, social exclusion refers not only to a situation, but focuses attention also to the processes and causes and thus represents a more analytical concept (Rodgers, 1995; Berghman, 1995; de Haan, 1999).

According to Silver (1994), the different meanings and research perspectives derived from the concept of social exclusion are related to three basic paradigms:

- Within the framework of the first paradigm, ‘solidarity’, the term social exclusion is used in the sense of the French research tradition. It is defined as a disruption of the social ties between society and the individual due to the failure of institutions to integrate individuals into the society.
- Within the second paradigm – ‘specialisation’ – social exclusion has been defined from the perspective of the Anglo-Saxon

research tradition (de Haan, 1999). It is seen as a result of social differentiation and specialisation, of the individuals' diversity of interests and capabilities. Contrary to the solidarity paradigm, social exclusion is considered to be caused by changes of the social structure as well as individual behaviour. Individuals may participate in some domains and be excluded from others due to their voluntary choices, the interests of other actors, contractual regulations, and notably also due to discrimination.

- The third paradigm, 'monopoly', highlights that society is ordered hierarchically with different groups controlling access to goods and services and protecting resources from outsiders. In this context, social exclusion is the result of processes of social closure by which more privileged groups protect their monopoly position. Contrary to the solidarity paradigm, the society is characterised by a hierarchy of inclusions and exclusions rather than a dualism of excluded and included (IILS, 1998).

According to the theoretical approach of the 'European Observatory on National Policies to Combat Social Exclusion' and of the 'European Poverty 3 Programme' social exclusion is defined in terms of the denial of citizenship rights – civil, political and social rights – which major societal institutions should guarantee. Thus, social exclusion should be conceptualised as the failure of one or more of the following four systems:

- the democratic and legal system which promote civic integration
- the labour market which promotes economic integration
- the welfare state system promoting what may be called social integration
- the family and community system which promotes interpersonal integration (Berghman, 1998: pp. 258–259)

The concept of social capital covers topics like the density and quality of relationships and interactions between individuals or groups, their mutual feelings of commitment and trust due to common values and norms, a sense of belonging and solidarity which are supposed to be the fundamentals of the internal social coherence of a society (McCracken, 1998; Woolley, 1998; Jenson,

1998b; O' Connor, 1998). "The social capital of a society includes the institutions, the relationships, the attitudes and values that govern interactions among people and contribute to economic and social development. Social capital, however, is not simply the sum of the institutions which underpin society, it also makes up the glue that holds them together. It includes the shared values and rules for social conduct expressed in personal relationships, trust, and a common sense of "civic" responsibility, that makes society more than a collection of individuals. Without a degree of common identification with forms of governance, cultural norms, and social rules, it is difficult to imagine a functioning society" (Social Capital Initiative, 1998: p. 1).

The concept of social capital has been defined in different ways by various scholars looking at it from different perspectives (Coleman, 1988; Putnam, 1995; North, 1990).³ But all of them have in common that they regard social capital as a property of a social entity and not of individuals. As a relational concept, social capital exists only as far as it is shared by several individuals. Thus, it cannot be regarded as an individual characteristic, but rather shows the character of a public good (Grootaert, 1998; Immerfall, 1999; Narayan, 1999).

Corresponding to the different scopes of the concept, a distinction between three levels of manifestation of the concept has been made (Immerfall, 1999: pp. 121–122):

- the level of interpersonal relations, such as family, friends, neighbours
- the level of intermediary associations and organisations, such as clubs, firms, political parties
- the macro-level of societal institutions

Regardless of the perspective taken one can conclude that social cohesion, social exclusion and social capital represent important welfare components which are merely being covered by the quality of life concept but rather need to be incorporated into the monitoring perspective of a European System of Social Indicators.

Sustainability

During the 1990s the concept of sustainability has become the dominant model of societal development. There is a general consensus that the achievement of sustainable development ought to belong to the key priorities of local, regional, national and supra-national policies. From a general point of view, the concept of sustainability can be seen as a new answer to the traditional concern with a balanced and harmonious societal development (Noll, 1999). The concept became popular in 1987 as the central message of the so-called Brundtland-Report "Our Common Future" of the World Commission on Environment and Development, where it was defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (World Commission on Environment and Development, 1987: p. 43).

In general, three dimensions of sustainable development have been distinguished: an environmental, a social dimension, and an economic dimension which are supposed to be linked to each other (OECD, 1998a,b; Wiman, 1999). Every policy guided by the principle of sustainability should take into account its impacts on the economic, the social and the environmental dimensions; it should ensure the continued preservation of the economy and the society without destroying the natural environment on which both depend. Actually, sustainable development proposes a new paradigm of decision making for all sectors of society. In order to achieve a sustainable development, environmental policies need to be socially and economically feasible, social policies need to be environmentally and economically feasible, and economic policies need to be socially and environmentally feasible (Bell, Halucha and Hopkins, 1999: p. 3). Thus, sustainability has been defined "as a continuous striving for the harmonious co-evolution of environmental, economic and socio-cultural goals" (Mega and Pedersen, 1998: p. 2).

Among the various attempts to conceptualise and to operationalise sustainable development,⁴ the World Bank's Multiple Capital Model (World Bank, 1997) is one of the most well known and widely recognised approaches. Within this approach sustainable development is conceptualised with reference to national wealth

and denotes the maintenance or enhancement of wealth for future generations. The World Bank approach distinguishes between four components of wealth:

- natural capital: the stock of environmental assets, such as land, water, wood, minerals, flora and fauna, which corresponds to the environmental dimension of sustainable development;
- produced/man-made capital: the stock of machinery, factories, buildings, and infrastructure, such as railways, roads which represents the economic dimension of sustainable development;
- human capital: people's productive capacities based on skills, education, health which constitutes – together with the social capital – the social dimension of sustainable development;
- social capital: social networks, associations and institutions tied by common norms and trustful relationships that facilitate cooperation.

From this perspective, the goal of passing on to the next generation at least as much natural, economic, human and social capital as the current generation has at its disposal is at the centre of the idea of a sustainable development (Hardi and Barg, 1997; OECD, 1998c). Concerning the relations between the various forms of capital, there is a debate about the possibilities of mutual substitutions between them. Advocates of a 'weak sustainability' concept claim, that all forms of capital can be substituted by each other, whereas supporters of a 'strong sustainability' concept deny that such a substitution is feasible, especially as far as the natural capital is concerned for which the possibilities of substitution are considered to be limited (Pearce, 1993; Pearce and Warford, 1993). It is argued, that natural capital to some extent fulfils life supporting functions which cannot be substituted at all by other forms of capital (Munasinghe and McNeely, 1995).

It is obvious that the concept of sustainable development, especially in the specification of the World Bank's four capital model, is clearly related to the concepts of *social cohesion*, *social exclusion*, and *social capital*. The notion of sustainability strongly emphasises the ideals of equal opportunities, equity and solidarity both within and between generations. These are also aspects addressed by the concept of social cohesion with the exception that it's perspective

does not extend to the future. Likewise the creation and preservation of social capital is a goal dimension covered by the idea of social cohesion as well as of sustainability, but the focus of the sustainability concept is on the *preservation* of social capital for future generations. Thus, sustainability is a more comprehensive concept than social cohesion, because it includes a wider range of issues.

As far as the relationship between sustainability and *quality of life* is concerned, one could consider as a major difference between the two concepts that quality of life is explicitly concerned with the individual welfare in actual life domains, whereas sustainability represents a general principle of acting which refers to collective or societal properties, such as equality, equity and the preservation of nature. This leads to the question, whether the idea of sustainability is compatible with the goal of improving the quality of life and if so, whether quality of life should be treated as a component of sustainable development or whether sustainability ought to be considered as a subdimension of quality of life (Noll, 1999: p. 15). Various authors have held the view that the overarching goal of sustainable development ultimately is to increase the quality of life for *all* people, not only of present but also of future generations (Wiman, 1999; Hart, 1998–99; OECD, 1998b). Hence, a major difference between the goals of quality of life and sustainable development can be seen in the emphasis put on intergenerational equity (IISD, 1998: pp. 1–2). Thus, sustainability considerations are essential for ensuring the quality of life of future generations. On the other hand, the concept of sustainability does not claim to develop a comprehensive formula of the ‘good life’ as the quality of life concept does.

Human Development

The concept of human development was originally developed by Miles (1985) in the framework of a development project of the United Nations University.⁵ It was further elaborated and became well-known in the context of the United Nations Development Programme (UNDP), where it was particularly influenced by the ideas of Amartya Sen, winner of the 1998 Nobel Prize for Economics, and Mahbub ul Haq, the former head of the Human Development Report Office.

In the first Human Development Report, human development has been defined as “a process of enlarging people’s choices” (UNDP, 1990, p. 1). Three factors – basic capabilities – are considered as particularly important, because they strongly determine the range of available choices and opportunities: health, education/knowledge and access to resources needed for a decent standard of living.⁶ The concept of human development has been continuously refined, as reflected in subsequent editions of the Human Development Report. The various aspects and components of the concept have been explained in detail and new dimensions have been added:

- As early as 1990, *human freedom* was recognised as an essential precondition for exercising choices: “Human development is incomplete without human freedom” (UNDP, 1990: p. 16).
- In 1992, the Conference on Environment and Development in Rio de Janeiro and the agreement on Agenda 21 influenced the concept and *sustainability* was adopted as an important dimension of human development. Equality of opportunities for all people⁷ and intergenerational equity have been particularly emphasized.
- A further essential component of the concept is the *empowerment* of people. People should be qualified for participating in economic, social, and political activities and decisions that are relevant to them, since “greater participation enables people to gain for themselves access to a much broader range of opportunities and thus involves widening their choices” (HDR, 1993: p. 21).
- Besides human freedom the aspect of *human security* has been added. People should be able to exercise their choices freely and safely (HDR, 1994).
- Another important condition is *economic growth* which is regarded as a means to human development. However it has been stressed “that there is no automatic link between growth and human development” (HDR, 1996: p. 1).

It has been explicitly emphasised that the human development paradigm puts people at the centre of its concerns and ultimately aims to improve human well-being. Thus, human development actually represents a welfare concept focussing on the individual who is perceived as an active agent and participant rather than as a passive

beneficiary in the development process (Doraid, 1997). However, the scope of the human development concept goes beyond individual welfare and also embraces supra-individual qualities such as equality of opportunity, equity, and solidarity.

Although the concept of human development hardly incorporates any goal dimensions of welfare not yet covered by other welfare concepts previously discussed, it should be underlined that this approach directs the attention to concerns such as freedom, security and the empowerment and participation of people, which are sometimes neglected by other approaches. An essential merit of the concept of human development is certainly its broad and comprehensive perspective which successfully integrates individual and societal dimensions of welfare.

Social Quality

An equally comprehensive notion of welfare, which has been promoted only recently, is represented by the concept of social quality. The concept has been elaborated by the European Foundation on Social Quality which has been established under the Netherlands Presidency of the European Union in 1997. The Foundation has framed the “Amsterdam Declaration on the Social Quality of Europe” which has been signed by European social scientists in order to call attention to the attainment of the social objectives as part of the European Treaties (Beck, van der Maesen and Walker, 1998).

Social Quality is defined “as the extent to which citizens are able to participate in the social and economic life of their communities under conditions which enhance their well-being and individual potential” (Beck, van der Maesen and Walker, 1998a: p. 3). The social quality experienced by citizens is considered to be based on four conditions:

- the degree of socio-economic security;
- the extent of social inclusion;
- the strength of social cohesion and solidarity between and among generations;
- the level of autonomy and empowerment of citizens.

The four conditions or components of social quality have been characterised with respect to two dimensions which constitute the

axes of the so-called social quality quadrant (Beck, van der Maesen and Walker, 1998b). The first dimension concerns the distinction between the micro-level (individual) and the macro-level (social structures); the second dimension concerns the distinction between institutions/organisations and communities/groups/citizens.

The concept of social quality refers only to welfare concepts discussed previously and does not add further dimensions not yet covered. However, social quality has to be conceived not primarily as a new conceptualisation of welfare, but rather as an effort to integrate the ideas of social cohesion, social exclusion and human development under a common policy perspective. The primary purpose of the concept of social quality is to foster a discussion on issues of social quality in Europe and to direct attention of policy makers to the social dimension of the process of European Integration.

Goals and Objectives of European Policies

Values and goals of societal development are not only dealt with on a conceptual level within the social sciences, but they are also part of political programmes and measures. The reference to agreed upon societal goals as well as political relevance are major characteristics of social indicators. Thus, social indicators are frequently considered as measures of goal attainment. In developing the conceptual framework of a European System of Social Indicators, this requirement can be fulfilled by considering the goals and objectives tackled by current policies of the European Union. These goals and objectives are agreed upon by the different Member States and – since they are ultimately the result of democratic decision processes – they may also be considered as common concerns of the majority of European citizens. By integrating these concerns into the welfare model, which is taken as starting point for elaborating a European System of Social Indicators, this indicator system is not only supposed to monitor the development of welfare in Europe, but will also serve the function to measure progress towards political goals and specific targets.⁸

The goals of European policy are first of all documented in the Treaty establishing the European Community (Rome, 1957), the Treaty on European Union agreed upon at Maastricht in 1992 and

in the amendments made by the Treaty of Amsterdam in 1997. Furthermore, there is a wide range of other official documents by the European Commission – White Papers, Action Programmes, Communications – which outline general and specific objectives of European policies.

As the result of analysing these documents a large set of policy concerns has been identified. Some of them are formulated at a rather general level: The promotion of economic and social progress, the improvement of living and working conditions, the increase of the standard of living and the quality of life, the fight against social exclusion, the strengthening of economic and social cohesion, the promotion of equal opportunities, the commitment to the principle of sustainability are general goals which have been strongly emphasised. Other objectives are being articulated more precisely on a rather concrete level. By trying to classify the various objectives into broader categories, which are related to some of the welfare concepts previously considered, *three main categories* have been distinguished each covering several policy areas and specific issues (Figure 2).

The first main category contains objectives aiming at the economic and social progress and the improvement of people's living conditions and quality of life. The second category is concerned with issues of strengthening the economic and social cohesion. In a sense, the objectives of the second category are ultimately also directed towards enhancing people's quality of life, but the difference to the first category is their focus on distributional and relational concerns. The third category covers goals related to the principle of sustainability.

As to the first category, the *promotion of employment* and the *combatment of unemployment* are top priorities of European social policy (see Figure 2). There is a strong focus on these objectives in the European Treaties as well as in the "White Paper on Growth, Competitiveness, and Employment", the "White Paper: European Social Policy" and other documents. The *enhancement of education*, initial vocational training and especially continuing training as well as improvement and adaptation of qualifications – that is life-long learning – are considered to represent important means to achieve the employment objectives and to increase the competi-

I. Economic and Social Progress**Improvement of Living Conditions and Quality of Life Concerning**

- Employment and Unemployment
- Education and Vocational Training
- Standard of Living
- Health
- Social Protection and Security
- Public Safety and Crime
- Transport
- Environment

II. Strengthening of Economic and Social Cohesion**Reduction of Economic and Social Disparities between Regions and Social Groups**

- Reduction of Backwardness of Less-favoured Regions
- Equal Opportunities (Women, Disabled People)
- Struggling against Social Exclusion

Strengthening the Connections and Relations Between People and Regions

- Improvement of Transport Connections Between Regions
- Encouraging and Strengthening Solidarity Between People
- Promoting European Cohesion
- Reinforcing a Common European Identity
- Encouraging Exchanges in the Fields of Culture, Education and Employment

III. Sustainability

- Promotion of More Efficient Use of Energy and Resources
 - Supporting the Development of “Clean” Technologies
 - Increasing the Share of Renewable Energy Sources
 - Promoting the Concept of Sustainable Mobility
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Figure 2. Political goals of the European Union.

tiveness of the European Union in a global perspective. The same impact is ascribed to the objective of promoting the use of *information and communication technologies* and the acquisition of the

respective knowledge. The need for these investments in human capital is emphasised in particular in the “White Paper on Growth, Competitiveness, and Employment”, the Green Paper on “Living and Working in the Information Society: People First”, the “Social Action Programme 1998–2000”, and the “Agenda 2000”.

The *improvement of public health* is another aspect of social progress which ranks high on the political agenda of the European Union. This is firstly reflected in the claim for an improvement of health and safety at work and a reduction of work accidents and occupational diseases, which can be found in the European Treaties and “The Social Action Programme 1998–2000”.

Security and safety are further aspects treated in European policy documents. The *social security* of people has been mentioned in the European Treaties as social concern of the European Union. The urgent need to modernise and to improve the social protection systems has been explained in many other documents. An improvement of *personal safety* should be achieved in the area of crime prevention, the protection of data, and in the area of transport. Also included in the European policy objectives are the *reduction of environmental pollution and the improvement of environmental protection*. These goals are especially mentioned in the context of discussing the need for a sustainable development.

The second category of policy objectives – strengthening the economic and social cohesion – concerns, generally speaking, the development of relations between people or groups of people. The previous discussion on the concept of social cohesion suggests to distinguish two main aspects: the reduction of inequalities and the strengthening of ties.

Objectives which fit into the category “Reduction of Economic and Social Disparities between Regions and Social Groups” are improving economic and social conditions of backward regions, promoting equal opportunities and reducing social exclusion.

The *reduction of regional disparities* is addressed by the EU’s Structural Funds. The main goal of the Structural Funds is twofold: first, the funds support the development of areas which are lagging behind or are being affected by industrial decline; second, the funds facilitate the structural adjustment of rural areas through special programmes and measures covering the improvement of human

resources, economic conditions and infrastructure. The “Treaty on European Union” requires from the Commission to prepare a “report on economic and social cohesion” every three years in order to monitor respective progress.

A very prominent concern of European social policy, which has been strongly emphasised especially in recent years, is the objective of gender equality. *Equal opportunities of women and men* are a goal in the realm of the labour market – remuneration, sex segregation, qualification – and in regard to the compatibility of occupational and family responsibilities. Furthermore, the promotion of equality with respect to participation and decision-making in political and other public realms are part of the policy goals. The White Paper on European Social Policy has paid much attention to this issue and has called for an annual Equality Report from 1996 onwards. The idea of mainstreaming has also been stressed within the “New European Community Disability Strategy” (European Commission, 1996b), which considers issues of *equal opportunities for disabled people* not separately, but instead as integrated elements in mainstream policies.

The goal of equal opportunities for disadvantaged groups in the population is strongly connected with the *objective to combat social exclusion* and discrimination and to promote the socio-economic integration of excluded groups. Since the middle of the 1980s matters of social exclusion have gained growing attention in European social policy, as reflected in the shift of the focus of the Commission’s poverty programmes from poverty to social exclusion, the establishment of an Observatory on National Policies to Combat Social Exclusion in 1989, and in the growing research activities on the measurement of social exclusion launched by the Commission. In the European Treaties the fight against social exclusion and all forms of discrimination are explicitly mentioned as a policy concern, and the goal of an inclusive society belongs to the three main topics of the *Social Action Programme 1998–2000*.

A second aspect of economic and social cohesion in European Policies concerns the strengthening of connections and relations between people and regions. This includes the strengthening of social ties, as for example the general objective of *encouraging*

solidarity between people which has been stressed in the *White Paper on Growth, Competitiveness, and Employment*.

There are several *specific European concerns* which refer to the relationships between Member States. A strengthening of feelings of solidarity and of a common *European Identity* are among the major concerns of the European Union, and there is a growing debate on the importance of a European citizenship and the development of a European constitution for the promotion of this objective (Welsh, 1993; Schäfers, 1999). Within the Treaty of Maastricht the notion of a European citizenship and respective civil and political rights have been outlined for the first time.

A strengthening of the cohesion between the Member States is also intended by the objective of developing a *European dimension of education and training* which has been formulated in the *White Paper on Growth, Competitiveness, and Employment*. The knowledge of European languages, the mutual recognition of qualifications and skills, and the exchange of pupils and students promoted through EU programmes like Leonardo da Vinci or Socrates are considered to form important aspects of this dimension. Not the least, European cohesion is supposed to be further promoted by building a *European labour market* which turns out to be another fundamental goal of European Policy as – for example – stated in the *White Paper on Growth, Competitiveness, and Employment* and in Agenda 2000.

The third category of policy objectives is related to the commitment of sustainable development. The challenge of a sustainable Europe is to achieve economic growth based on higher employment rates, reduced environmental pollution and improved resource efficiency of energy and raw materials. The “White Paper on Growth, Competitiveness, and Employment”, the “Communication from the Commission on Environment and Employment – Building a Sustainable Europe” as well as the Agenda 2000 outlined these goals in greater detail.

It can be easily recognised that many of the welfare goals addressed by the various concepts discussed in the previous chapter are also being emphasised by European policies. However, the scientific use of these concepts is much broader and hence they cover more issues of relevance than those considered by policy

objectives. Several important components of quality of life are not yet or insufficiently taken into account by European policies as for example the living situation of families, housing conditions of the population, income and living standard, and participation and social relations as major determinants of social capital and social cohesion. Nevertheless, there are clear similarities between both perspectives and their integration into a common conceptual framework is rather obvious. A more precise definition of goal dimensions and an increase in the relevance of the resulting indicators system for policy use are among the advantages of including the policy objectives into the conceptual framework.

The Conceptual Framework: Notion of Welfare and Goal Dimensions Considered

As it turned out from the previous review of theoretical concepts of welfare and the analysis of goals of societal development at the level of European politics, our theoretical framework will be mainly based on the ideas of quality of life, social cohesion and sustainability. As has been shown before, these are also concepts which play a major role at the level of European politics and many policy objectives are closely related to them. Our main point of departure is the quality of life concept which focuses at dimensions of welfare at the individual level. This concept is considered to be still appropriate to cover current and future issues of individual welfare. However, we are proposing to widen the perspective by taking into account not only dimensions of individual quality of life but also dimensions of the quality of societies, as they are addressed by the more recent concepts of social cohesion and sustainability.

The concept of quality of life is being used in terms of the rather comprehensive definition of the German approach as the constellation of objective living conditions and subjective well-being. By objective living conditions we include all aspects of the living situation which are relevant for the welfare of the individual regardless whether they are considered to be outcomes, resources, capabilities, or external circumstances. No effort is made to distinguish between these categories, since it often simply depends on the point of view whether certain living conditions represent outcomes or resources. The notion of subjective well-being embraces affective

and cognitive, positive and negative components. The principal goal dimensions extracted from the quality of life concept are then the improvement of objective living conditions of individuals as well as their subjective well-being in various life domains.

Referring to the general objective of promoting economic and social cohesion in Europe, we are distinguishing two main goal dimensions as suggested above: (1) the reduction of disparities and inequalities, including social exclusion, and (2) the strengthening of connections and social ties including the enhancement of social capital. For each of the two main dimensions of the social cohesion/social capital perspective various subdimensions are to be distinguished, such as the reduction of regional disparities and the promotion of equal opportunities, the promotion of social and political participation and voluntary activities in networks and associations; the formation and strengthening of social relations between population groups or the improvement of the quality of relations including issues such as shared values, a common identity, trust, and solidarity.

The European System of Social Indicators will also take into account the goal of sustainable development which is conceptualised with reference to the World Bank's four capital approach. Thus, there are four major goal dimensions: the enhancement or preservation of social, human, produced, and natural capital. For each type of capital two aspects ought to be distinguished⁹: (1) the preservation or enhancement of the societal capital of current generations and (2) the provision for future generations. The first refers to the goal of promoting living conditions of the present generations, while the latter focuses on the means to preserve the societal capital for future generations, that is on the processes and measures necessary to secure equivalent living conditions for the future. This latter aspect actually represents the primary idea of sustainability which has to be conceived as a general principle shaping societal developments.¹⁰

The European System of Social Indicators is not only supposed to be a tool for measuring welfare and goal achievement, but also to monitor more general trends of social change, to register progress in modernisation and the related problems and consequences. Thus, the European System of Social Indicators shall also provide information on trends of social change concerning major elements of the

socio-economic and socio-demographic structure as well as trends of social change concerning individual values and attitudes. As far as the latter are concerned, relevant changes to be monitored by a European System of Social Indicators are – for example – changes in value orientations from materialistic to postmaterialistic values as well as changes in gender roles or party preferences to mention just a few. Dimensions of the social structure to be monitored by our indicators system are – for example – changes of the age structure, changes in the sectoral structure of employment or changes in the class structure.

	Welfare Measurement	Monitoring Social Change
Individual Level	<i>Quality of Life</i> – living conditions – well being	<i>Values and Attitudes</i> – postmaterialism – gender roles – party preferences etc.
Societal Level	<i>Quality of Society</i> <i>Sustainability</i> – preservation of natural and – human capital <i>Social Cohesion</i> – reduction of disparities, inequalities, exclusion – strengthening of ties	<i>Social Structure</i> – demographic – social class – employment etc.

Figure 3. The conceptual framework – levels, perspectives and dimensions.

Thus, the conceptual framework of the European System of Social Indicators overall results in two perspectives and two levels of measurement (Figure 3). The two perspectives of measurement are the measurement of welfare on the one hand and monitoring general social change on the other. For both of them an individual level and a societal level is being distinguished. Welfare measurement at the individual level addresses objective living conditions and subjective well-being as the two principal goal dimensions of the individual quality of life. Welfare measurement at the societal level covers several dimensions of the quality of a society as they have been derived from concepts as sustainability and social cohesion. Monitoring social change at the individual level puts the emphasis

on measuring changes in individual values and attitudes whereas monitoring of social change at the societal level will focus on the observation of socio-structural trends.

ELEMENTS OF THE ARCHITECTURE OF THE EUROPEAN SYSTEM OF SOCIAL INDICATORS

Life Domains, Goal Dimensions and Measurement Dimensions

The European System of Social Indicators will first of all be structured by life domains and goal dimensions as well as more general dimensions of socio-structural change as outlined above. The life domains considered correspond to some extent to the European policy concerns, but other domains, which also constitute important aspects of quality of life, have been added as well. Besides various domains of life, the total living situation will be included as well and covered by comprehensive measures, such as welfare indices or global evaluations. Thus, the European System of Social Indicators covers the following 14 life domains or modules:

- Population
- Household and Family
- Housing
- Transport
- Leisure, Media and Culture
- Social and Political Participation and Integration
- Education and Vocational Training
- Labour Market and Working Conditions
- Income, Standard of Living, Consumption Patterns
- Health
- Environment
- Social Security
- Public Safety and Crime
- Total Life Situation

The conceptual framework outlined before determines perspectives (welfare measurement; monitoring of social change) and levels of measurement (individual level, societal level) as well as the dimensional structure of the European System of Social Indica-

tors. For each life domain, the following goal dimensions are being distinguished:¹¹

- improvement of objective living conditions
- enhancement of subjective well-being
- reduction of disparities, inequalities and social exclusion, promotion of equal opportunities
- strengthening social connections and ties – social capital
- preservation of human capital
- preservation of natural capital

Besides the attainment of societal goals the European System of Social Indicators will also cover the major elements of the social structure and related changes and thus include demographic and socio-economic developments as well as changes in values and attitudes.

For each goal dimension within a life domain, appropriate measurement dimensions will be derived. Figure 4 only presents the main categories of measurement dimensions for the life domain “Labour Market and Working Conditions”.

The measurement dimensions derived from the goals of improving objective living conditions and enhancing subjective well-being concern characteristics of the life situation which are neither related to the objective of strengthening connections and social ties nor to the principle of preserving societal capital for future generations. These dimensions are related to the state of living conditions and personal well-being, such as the state of health, the level of education, environmental conditions or satisfaction with life. The goals of preserving human capital and natural capital have been operationalised by dimensions which refer to the measures and processes fostering these goals. These dimensions point to factors that influence the goal attainment such as the efficiency of energy consumption, preventive measures in the area of health, investments in education.

Usually measurement dimensions will be further broken down into subdimensions as shown in Figure 5 by example of the life domain “Labour Market and Working Conditions” and the goal dimension “Improvement of Objective Living Conditions”.

The measurement dimension “working conditions” covers – for example – the subdimensions “working hours”, “earnings” and

Life domain: Labour market and working conditions	
Goal dimensions	Measurement dimensions
Improvement of objective Living conditions	<ul style="list-style-type: none"> – labour market: opportunities and risks – employment level – working conditions – mobility – unemployment
Enhancement of subjective well-being	<ul style="list-style-type: none"> – evaluations of personal employment situation
Reduction of disparities/ Inequalities	<ul style="list-style-type: none"> – regional disparities of employment opportunities – gender inequality of employment opportunities – inequality of employment opportunities for disabled people – social exclusion: long-term unemployment
Strengthening connections/ Social ties – Social capital	<ul style="list-style-type: none"> – participation of employees in decision making – trade-unions and professional organisations – Europe-specific concerns – exchange of workers across countries
Preservation of human capital	<ul style="list-style-type: none"> – working accidents and occupational diseases – measures of further training
Preservation of natural capital	<ul style="list-style-type: none"> – consumption of natural resources by economy – environmental pollution by economy
Social structure Socio-economic structure Values and attitudes	<ul style="list-style-type: none"> – employment status – occupational structure – sectoral structure – work orientation

Figure 4. Goal dimensions and measurement dimensions for the life domain: labour market and working conditions.

“work environment and job content”. The measurement dimension “unemployment and underemployment” is broken down into the subdimensions “level of unemployment”, “duration of unemployment”, “subsistence of the unemployed” as well as “level of underemployment”.

Measurement dimensions	Subdimensions
Labour market: Opportunities and risks	Employment opportunities Unemployment risk
Employment: Potential and level	Labour force potential Labour force participation Employment level
Working conditions	Working hours Earnings Work environment and job content
Mobility	Horizontal occupational mobility Promotion chances Job-related geographic mobility
Unemployment and underemployment	Level of unemployment Duration of unemployment Subsistence of unemployed persons Level of underemployment

Figure 5. Measurement dimensions and subdimensions related to the goal dimension “Improvement of Objective Living Conditions” within the life domain “Labour Market and Working Conditions”

To sum up, the European System of Social Indicators covers 14 life domains (Figure 6). Within each life domain up to six dimensions of welfare and two dimensions of general social change are being distinguished. At a third level there are dimensions of measurement and at a fourth level subdimensions, which are going to be operationalised by one or more indicators each.

Indicators

The European System of Social Indicators includes indicators of goal attainment as well as more general indicators of social change. The former are supposed to be direct measures of individual and societal welfare and thus – according to Mancur Olson – “subject to the interpretation that if (they) change(s) in the ‘right’ direction, while other things remain equal, things have got better, or people are ‘better off’ ” (Department of Health, Education and Welfare, 1969: p. 97). The latter are descriptive indicators measuring struc-

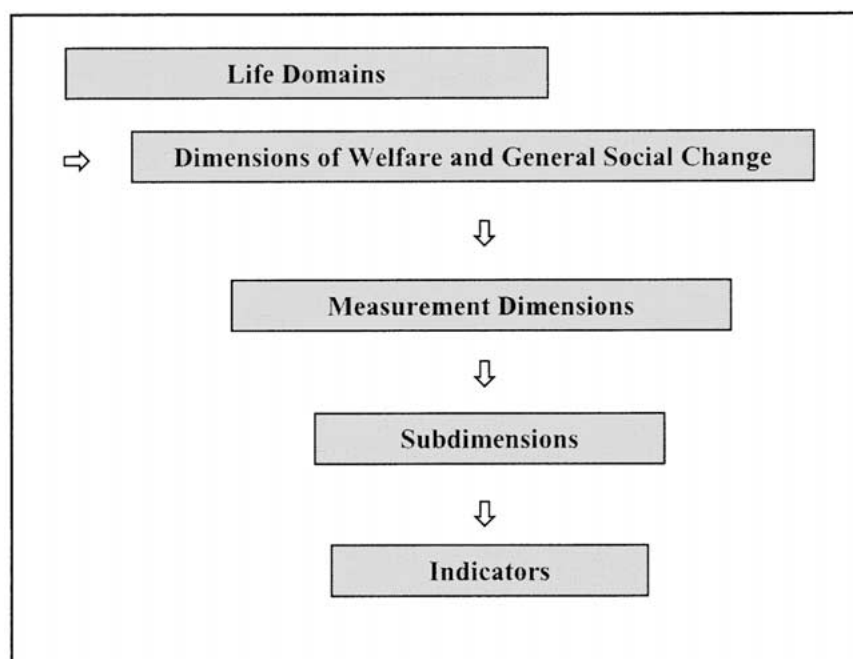


Figure 6. Dimensional structure of the European System of Social Indicators.

tural, attitudinal and value changes in a society and thus providing information which supports politics rather in an indirect way.

The European System of Social Indicators also includes objective as well as subjective indicators.¹² While the objective indicators used are for the most part supposed to measure the outcomes of societal processes in terms of living conditions and individual resources, some inputs related indicators are included too. The latter are particularly needed when it comes to evaluate the efficiency of societal institutions and policy measures. Subjective indicators are by nature outcome measures. They include first of all indicators of subjective well-being, but also other perceptual and evaluational measures as for example preferences and concerns or hopes and fears.

While the European System of Social Indicators for the most part will be based on cross sectional indicators, longitudinal indicators will be used as well as far as appropriate and applicable due to the availability of longitudinal data bases.

Measurement dimensions	Subdimensions	Indicators
Unemployment and underemployment	Level of Unemployment	<ul style="list-style-type: none"> – Rate of total unemployment – Rate of total youth unemployment – Share of total unemployed in the working-age population – Persons seeking employment – Persons willing to work – Discouraged persons currently not in the labour force
	Duration of Unemployment	<ul style="list-style-type: none"> – Average duration of unemployment – Long-term unemployment – Short-term unemployment
	Subsistence of unemployed persons	<ul style="list-style-type: none"> – Benefit coverage rate
	Level of underemployment	<ul style="list-style-type: none"> – Preference for an increase of working hours – Involuntary part-time workers – Short-time workers – Visible/invisible underemployment

Figure 7. Subdimensions and indicators related to the measurement dimension “Unemployment and Underemployment” within the life domain “Labour Market and Working Conditions”.

To give an example of how indicators within the European System of Social Indicators will look like, Figure 7 presents a preliminary list of indicators related to just one measurement dimension (unemployment and underemployment) as part of the goal dimension “Improvement of Objective Living Conditions” within the life domain “Labour Market and Working Conditions”.

At a later stage of the project of developing the European System of Social Indicators also the possibilities of constructing composite indexes will be considered, which are supposed to synthesise and summarise the detailed information provided by the multitude of indicators.

Countries and Regional Disaggregation

Concerning the coverage of the European System of Social Indicators in terms of countries included, a decision has been taken to rely primarily on the 15 current member states of the European Union. However, as far as possible additional European nations will be included too: Norway, Switzerland and three Central European countries, which are going to join the European Union in the near future, that is the Czech Republic, Hungary and Poland. In addition the indicators will be provided for the European Union as a whole. Beyond the mayor European countries and the EU-average also two important reference societies – the United States and Japan – will be included as far as appropriate and comparable data will be available.

For each of the 20 European countries regional disaggregations of indicators will be provided as far as regional splits seem to be reasonable and as far as respective data are available. For the European Union countries, the regional disaggregation will mainly follow the NUTS classification (Nomenclature des Unités Territoriales Statistiques) elaborated by Eurostat.¹³ This classification subdivides each member state of the European Union into territorial units by using a hierarchical structuring at five levels of differentiation which correspond to the national administrative units. At the NUTS-1 level altogether 78 regions of the European Union are being distinguished. These are again split up into 211 territorial units at level NUTS-2 and 1.093 units at level NUTS-3.

Indicators within our European System of Social Indicators will be mainly disaggregated at the NUTS-1 level. However, since NUTS-1 represents a rather rough breakdown of several countries or at times is not available at all, a disaggregation at the NUTS-2 level has been chosen in some cases. The European countries which do not belong to the European Union will be disaggregated at a similar level according to the standards of the national statistical offices.

Starting Point and Periodicity of Observations

The European System of Social Indicators will present yearly figures for the included indicators, given that the data are available. As a matter of fact, for many indicators this will not be feasible, especially for those indicators which are based on surveys not conducted on a yearly basis or with varying thematic coverage.

The early 1980s have been chosen as the starting point of the time series for pragmatic reasons, taking into account that for five of the present Member States of the European Union the date of accession was not before the middle of the 1980s. An earlier starting point of the time series would have raised the problem of availability of comparable data for these countries, since they are included in statistics of the European Union only since their entry into the Union.

Data

In order to implement the European System of Social Indicators no efforts of primary data collection are planned for the moment. Instead, various available data sources will be used and exploited. As a general principle, all efforts will be made to make use of the best available databases and to ensure comparability across national societies and across time as far as any possible. As a consequence the exploitation of cross national – and if at all possible harmonised – databases will be given high priority.

As far as aggregated data are concerned, the databases of Eurostat – as for example NEW CRONOS and REGIO – are certainly among the most important and will be used to a large extent. Beyond aggregated data also various microdatasets will be exploited for the purposes of the indicators system. These microdatasets include data collected by the European Commission such as the Eurobarometer Surveys, data collected within the system of official statistics – such as the European Community Household Panel (ECHP) or the Luxembourg Income Study (LIS) – as well as data collected within science based survey programmes, as for example the International Social Survey Programme and the World Value Surveys, to mention but a few.

SUMMARY AND CONCLUSIONS

This paper develops the conceptual framework for a European System of Social Indicators and outlines the major structural elements of its architecture. As far as the conceptual framework is concerned, the quality of life concept turns out to be most central and constitutes the overarching perspective of observation

and measurement. From this perspective, the indicators system puts its emphasis first of all on the objective living conditions as well as the subjective well-being of the individual citizens. In addition to these dimensions of the individual quality of life, the conceptual framework incorporates also the notions of social cohesion and sustainability, both of which are considered to represent major aspects of the quality of societies. From the social cohesion discourse two dimensions have been identified to be covered by the European System of Social Indicators: the amount of disparities and social inequalities on the one side and the strength of social connections and ties on the other. From the sustainability concept the conceptual framework of the indicators system adopts in particular the perspective to preserve the capital of the society – natural, human, and social capital – for future generations.

As far as the architecture of the European System of Social Indicators is concerned, a life domain approach is most characteristic. The indicator system covers altogether 13 life domains and includes in addition a module on the total life situation. Within each life domain, the dimensions of measurement and indicators address different aspects of the individual quality of life, social cohesion and sustainability. Moreover also basic dimensions of the social structure as well as attitudes and value orientations will be covered. The indicator system will include 20 European countries, but also the U.S. and Japan as two important reference societies. If reasonable and possible, indicator time series will be disaggregated for regions at the NUTS-1 level. Indicator time series are supposed to start at the beginning of the eighties and will – given that appropriate data are available – provide information on a yearly basis.

Using the conceptual framework and following the structural set-up outlined above, the European System of Social Indicators will be completed domain by domain. For the moment the indicator system has been developed in full only for the domain “Labour Market and Working Conditions”. For this life domain 162 indicators have been selected and time series data have already been collected completely. Indicators and time series data for this life domain are available at the internet as PDF-documents.¹⁴ Work on constructing indicators and collecting time series data for further life domains is under progress. The European System of Social Indicators will

finally be presented as an electronic information system using the potential of modern information technology. A prototype of such an electronic European Social Indicators Information System will be available in the near future.

Having developed the conceptual framework and the main elements of the architecture of the European System of Social Indicators, the scientific community as well as policy makers are supposed to examine and discuss the suggestions made. This process of reviewing and critical perception and reaction will be of crucial importance to validate and improve this new tool of social monitoring and reporting.

NOTES

- ¹ Considerable parts of this article are drawn from Berger-Schmitt/Noll 2000.
- ² For a more extensive review of the rise and the meaning of the concept of quality of life see Noll 1999.
- ³ For a review of the respective literature see Rossing Feldman/Assaf (1999).
- ⁴ An overview can be found in OECD 1998c, Moldan/Billharz/Matravers 1997; Hardi/Barg 1997. See also U.N. Commission on Sustainable Development 1996.
- ⁵ For further details see Noll 1999, pp. 16–17.
- ⁶ The concept has been operationalised and measured by means of the Human Development Index which is based on these three criteria.
- ⁷ Gender equality was especially stressed and became the theme of the HDR 1995 “Gender and Human Development” (UNDP 1995).
- ⁸ In view of the self-image of the European Union as a community of shared values the European goals considered here represent more than just the smallest common denominator of goals of European policies respecting the principle of subsidiarity. A more detailed and further reaching comparative analysis of similarities and differences of welfare goals of the EU member states would in any case go far beyond the research programme of this project.
- ⁹ The category of produced/physical capital will not be included since the main objective of the European System of Social Indicators is the measurement of *social* developments.
- ¹⁰ Although goal dimensions have been derived from welfare concepts and measurement dimensions will be delineated from goal dimensions, it will not be possible to inversely draw inferences from the measurement dimensions of the indicators system to the underlying welfare concepts. The reasons are the substantial overlaps between the welfare concepts at the level of goal dimensions as well as at the level of measurement dimensions. The overlaps between the concept of social cohesion and quality of life – for example – concern the goal dimension of reducing social exclusion which has been conceptualized as an

individual state of economic, social and/or political deprivation. This goal can be subsumed under the heading of the social cohesion aspect of reducing disparities and inequalities, but at the same time it could also be treated as an aspect of the individuals' quality of life.

¹¹ This does not mean that *all* goal dimensions are included within each domain, since some dimensions are not relevant for particular domains.

¹² See for example Noll 1996.

¹³ The most recent version of the classification is presented at http://www.europa.eu.int/en/comm/dg07/tif/nomenclatures/nomenclatures_nuts_99.htm.

¹⁴ See: http://www.gesis.org/en/social_monitoring/social_indicators/EU_Reporting/indicators.htm.

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*ZUMA, Social Indicators Department
Mannheim, Germany
E-mail: noll@zuma-mannheim.de*

