



## COPY RIGHT

**2015 IJIEMR.** Personal use of this material is permitted. Permission from IJIEMR must be obtained for all other uses, in any current or future media, including reprinting/republishing this material for advertising or promotional purposes, creating new collective works, for resale or redistribution to servers or lists, or reuse of any copyrighted component of this work in other works. No Reprint should be done to this paper, all copy right is authenticated to Paper Authors

IJIEMR Transactions, online available on 21<sup>th</sup> October 2015. Link :

<http://www.ijiemr.org/downloads.php?vol=Volume-4&issue=ISSUE-09>

Title: Development of Welfare Measure in Assuring Different Parameters A-Study.

Volume 04, Issue 09, Page No: 511 – 518.

Paper Authors

\* **DR.B.DHARMA.**

\* Dr.B.R.Ambedkar Open University, Jubilee Hills.



USE THIS BARCODE TO ACCESS YOUR ONLINE PAPER

To Secure Your Paper As Per **UGC Guidelines** We Are Providing A Electronic Bar Code



## DEVELOPMENT OF WELFARE MEASURE IN ASSURING DIFFERENT PARAMETERS A-STUDY

**DR.B.DHARMA**

Assistant Director, Dr.B.R.Ambedkar Open University, Jubilee Hills, Hyderabad

[drdharmab@gmail.com](mailto:drdharmab@gmail.com)

### ABSTRACT:

When evaluating the various aspects of the welfare state, people assess some aspects more positively than others. Following a multidimensional approach, this study systematically argues for a framework composed of seven dimensions of the welfare state, which are subject to the opinions of the public. Using confirmatory factor analyses, this conceptual framework of multidimensional welfare attitudes was tested on cross-national data from 22 countries participating in the European Social Survey. According to our empirical analysis, attitudes towards the welfare state are multidimensional; in general, people are very positive about the welfare state's goals and range, while simultaneously being critical of its efficiency, effectiveness and policy outcomes. We found that these dimensions relate to each other differently in different countries. It confuses measure of poverty with measure of well-being and counting problems with concept problems. But this debate is really a metaphor; the underlying and justifiable concern is with control over the design and implementation of development programmes and projects especially anti-poverty projects. Changing the form and content of information on poverty is part of a broader process of empowerment.

**Keywords:** Welfare state, Welfare attitudes, Welfare legitimacy, Public opinion, Cross-national research

### INTRODUCTION:

The welfare state result from distinct attitude patterns regarding the various welfare state dimensions or result from one underlying attitude towards the welfare state. These studies come to different conclusions. In general, the studies agree that attitudes towards the welfare state are indeed multidimensional, but the studies are inconclusive about the structure of the attitude patterns. These inconclusive results can have at least three different causes. First, they can be the result of differences between countries. A particular country can have a greater range or a different set of welfare state attitudes and attitude patterns than another country, and this difference warrants a comparative analysis of the multidimensionality of welfare state attitudes. Second, these differences may be due to

varying operational definitions of the welfare state dimensions used in the studies. In fact, the choice of dimensions to analyse is mostly data-driven, given that most studies lack the theoretical arguments for selecting welfare state dimensions. The existing studies give only limited reasons for the salience of particular welfare state dimensions. Lastly, different conclusions may be the result of using particular methods. For example, Svallfors used an Exploratory Factor Analysis (EFA) with the assumption of orthogonal factors to find five underlying attitude patterns in the data, and performed an EFA on separate groups of items to validate their theoretical dimensions and subsequently correlate these dimensions. have argued that these two studies do not really test

the multidimensionality of welfare attitudes, because in their choice of methods, they isolate

the items that estimate the latent construct. As a result, the shared variance between the items is not taken into account.

### **Tools and Measures:**

Human beings are distinguished from other life forms by their unique ability to fashion tools which extend our powers of consciousness beyond the reach of our senses and our powers of execution beyond the limits of strength, endurance, space and time imposed by our physical bodies. Tools are an instrument for social evolution. Language is a tool which enables us to formulate original ideas, communicate our inmost thoughts and feelings, record 54 events for posterity, transmit knowledge down through the ages, and exchange ideas over vast expanses of time and space. The efficiency of our tools is an index of our social development. Measurement is another remarkable human ability. Many tools acquire power through their use in or capacity for measurement, such as the calendar, weighing scale, measuring rod, astrolabe, surveyor's theodolite, carbon dating, and DNA fingerprinting. The mariner's compass and chronometer enabled ships to navigate safely far from land. Modern medicine could not exist without the thermometer, stethoscope, sphygmomanometer and glucometer, along with measures for blood cell count, hemoglobin, cholesterol, and countless other metrics. Today every food ingredient is carefully measured for its exact nutritional content. Money is one of humanity's greatest inventions. It is both a tool and a measure. But unlike other measures that are confined to measuring a single dimension or quality, money has the capacity of assigning value to almost anything material or immaterial physical objects, human labor, social status, information, obedience, loyalty and sometimes even love.

Coinage enabled ancient kingdoms to become military and economic powers, because it

facilitated standardized valuation of products and services for the financing and maintenance of huge armies. The concept of zero was unknown to the Greeks and Romans. Developed independently in India and Mexico, it reached Europe via Arabia only in the 10th century. One need only try adding and multiplying Roman numerals to realize how greatly the introduction of Hindu-Arabic numerals, the zero, and the decimal place enhanced the capacity for accounting and the growth of trade. Combined with double-entry bookkeeping, they spurred the commercial revolution in 13th century Italy, facilitating the precise calculation of capital and profit

### **Human Economic Welfare Index (HEWI):**

Based on the analysis discussed above, we propose the creation of a new composite index that focuses on the economic dimension of human welfare. This approach can be fairly criticized as too narrow, since it gives less prominence to the issue of long term sustainability than alternatives such as GPI and ISEW. We acknowledge the validity of the criticism, but argue that an index is a tool whose ultimate value must be judged by its utility. Other indices may offer greater insight, but their inherent complexity and subjectivity as well as the difficulty in obtaining data diminishes their value as a tool for policy-making and international comparisons.

This index has been constructed with the following objectives: each component indicator should be reliable, easily and promptly available, sensitive, robust, and uniquely related to its own objective; the components should be incorporated in the composite index in such a manner that there is no cancellation; and in contrast to more comprehensive

composite indicators, the number of sub-indices should be kept to the minimum

possible. These objectives have been only partially met.

## **Prosperity and welfare:**

The line of arguments discussed in the first subchapter regarding GDP / GNI, (growing) economic prosperity and the resulting individual and social welfare already alluded to the essential concepts of the debate being carried on at national and, as will be shown later, at international level. During the last two centuries in the history of dogmas of political economy a large amount of different definitions have emerged, as expressions of different ideas and understandings of individually and socially desirable situations. There is a certain degree of agreement on the fact that prosperity includes not only the provision with material goods and financial means, which is often referred to as standard of living, but also, in a broader meaning of the word, some immaterial components; however, there are still many definitions describing the concept of prosperity exclusively as the condition of a person or a household, of a group or a society, having economic goods at their disposal.

## **2.0 Literature review:**

### **Dimas, St. (2007)**

Long considered a technical issue of concern only to economics, it is now evident that bad measures can lead to bad and even catastrophic policy, just as wrongful treatment arising from an erroneous medical diagnosis can convert a mild disorder into a fatal illness.<sup>9</sup> Major determinants of human welfare and well-being are too important to be regarded as mere technical issues. It is both unfortunate and ironic that even the general public has come to place so much faith in this inadequate and

misleading index of national progress, that people celebrate each increase in GDP even when their own personal living standards have

declined markedly in real terms. Aspirations for a better life have become so universal that people everywhere readily take pride and satisfaction in the real or false sense of national achievement reflected in the numbers.

### **American Progress (Hrsg.) (2007)**

Theory and measurement go hand in hand. Without sound theory, measures can result in misleading conclusions. Even great minds can fail in matching theory and measurement. Aristotle, possibly the greatest philosopher and scientist that ever lived, failed to properly measure motion. Although an excellent experimentalist and keen observer, his incorrect procedure for measuring motion stopped the development of physical sciences for over a thousand years, prompting Russell to castigate Aristotle as the greatest hindrance in the history of science. Would Aristotle have understood motion better, if he had had access to more or better information regarding the shape, color and composition of falling objects? Some of this data would have been useful, but the real problem was that Aristotle was missing a necessary abstraction that would lead him to the understanding of motion. He lacked the foundation for the underlying conceptual theory. Success of physical and life sciences today are rooted in precise and adequate measurements married with sound theory.

### **Zieschank, R. (2007)**

the major difficulties in measuring empowerment is that the behaviors and attributes that signify empowerment in one context often have different meanings elsewhere. For example, a shift in women's ability to visit a health center without getting permission from a male household member may be a sign of empowerment in rural

Bangladesh but not in, for example, urban Peru. Context can also be important in determining the extent to which empowerment at the

household or individual level is a determinant of development outcomes. It could be argued, for example, that if investments in public health systems are strong, then women's role as the intermediaries for their children's health through better education or decision-making power in the household will be less important than when this is not the case. The variation in the nature and importance of empowerment across contexts poses a challenge in terms of both consistency and comparability in measurement schemes.

### Jejeebhoy, Shireen J. (1995)

One argument is that as such strategic choices are likely to take place relatively infrequently in a person's life, it is often difficult to link them with policy and program interventions unless the time frame of the research is very long. Given the measurement constraints imposed by the infrequency of "strategic life choices" in an individual's life, it almost becomes necessary to consider "small" actions and choices if measuring empowerment in the short term. Indeed, given their scope, most household-level studies that have included indicators of women's empowerment have not focused on "strategic life choices" but, rather, on what might be termed "empowerment in small things." There is some published evidence from empirical studies that the assumption that the ability to make strategic life choices is linked with the ability to make smaller decisions is valid, but results from other studies suggest that this is not always the case. It is not easy to judge from the existing body of research to what extent the negative results are due to inadequate study designs and imprecise measurement, due to the multidimensional or contextual nature of empowerment, or simply the lack of

implementing a research design for measurement across time

### 3.0 Methodology:

To answer our empirical research questions, we analyzed data from the European Social Survey wave This wave contains a module on welfare attitudes that is currently the most extensive cross-national dataset for measuring welfare attitudes available. Therefore, these data can be considered a unique opportunity, allowing us to measure most but unfortunately not all dimensions of our conceptual framework. We selected 26 items by which we measured five welfare state dimensions (excluding the *welfare mix* and *redistribution* dimensions), divided into ten sub dimensions. a summary of the selected dimensions and their operational definitions

#### Components of HEWI :

HEWI improves upon GDP per capita as a measure of human economic welfare in six ways:

**Personal Disposable Income (PDI):** It focuses on that part of national income which directly accrues to households and individuals for promoting human welfare, thereby avoiding the tendency to value growth for growth's sake.

**Human Welfare Expenditure (HWE):** It focuses only on that part of private and public expenditure that directly promotes the welfare of human beings.

**Income Inequality (EWI):** It adjusts per capita income to reflect the impact of income inequality on household economic welfare.

**Full Employment (FEI):** It takes into account levels of employment and unemployment which directly impact on personal economic welfare and utilization of human capital.

**Combined Educational Enrollment (CEI):** It considers the future economic impact of current investments in education.

**Energy Efficiency (EED):** It includes a measure for changes in fossil fuel energy

efficiency over time as an index of ecological risk and sustainability. Each of these

components has been discussed separately in Section

This section summarizes each sub-index, discusses how they can be assembled into a composite index, and examines comparative data.

In addition to measuring personal disposable income and welfare-related consumption, it monitors two negative components that limit present welfare income inequality and unemployment and three positive components that have the potential to significantly enhance long term sustainability education, energy efficiency and net household savings. Income inequality is viewed as a constraint on growth of consumer demand, which limits present consumption and employment. Unemployment is viewed as a constraint on the full utilization of human resources and social productivity, which limits the economic welfare of both the unemployed and the rest of society. Rising levels of education are viewed as an investment in human capital that promotes future economic welfare. Rising levels of fossil fuel energy efficiency are viewed as an investment in physical capital that supports future ecological welfare



### Sustainability and welfare:

A large (and ultimately only apparent) consensus on the meaning of the word “sustainability” is only given as long as the

latter is defined at a very general level. Those who do not use this word only as a source of inspiration but want to work with it in practice

have to explain their own position through a definition and, in the aftermath, to operationalise the word in such a way as to be able to define measurable partial goals and to identify political strategies. In order to turn the word “sustainability” into a “working concept” in this sense, different paths have been taken also in economics. First of all, in the discussion in the field of economic sciences it is the economic dimension of the word to be emphasized, at first, and it is postulated that a sustainable style of economic activity is only given when the economy is organized in a way, that is compatible with the environment and socially sustainable in the long run. A wide spread method of stepwise operationaviation consists here in formulating so called “management rules” or “fundamental postulates” concerning sustainability.

### 4.0 Results and discussions:

Discussed the importance of incorporating some measure of employment in an index of human economic welfare In a market economy where economic survival and well-being depend on each individual’s access to gainful employment, employment must be regarded as a basic human right. Rising levels of unemployment is both OECD and developing countries among youth as well as among older workers represents one of the greatest obstacles to securing economic welfare for all. Employment is related to changes in demography, education and social attitudes, such as those regarding women in the workforce. No single measure of employment can satisfactorily capture all its dimensions. Unfortunately in many countries even the most basic data on unemployment rates is unreliable, while the range of variables measured is severely limited. The composition of an

employment index useful for international comparisons must work within these constraints. FEI is a composite index that takes

into account levels of employment and unemployment which directly impact on personal economic welfare and national utilization of human capital.

**Employment-Population Index:** EPI is arrived at by taking the Employment-Population Ratio (EPR) for those aged 25+ and converting it into a scale ranging from .01 to 1, assuming that 66% EPR represents full employment. Countries with EPR greater than 66% are assigned a value of

**Adult Employment Index:** AEI measures the rate of employment among members of the labor force aged 25+. The adult unemployment rate is derived by deducting from total employment and unemployment data, those under 25 years of age. Adult underemployment is estimated by taking twice the level of adult unemployment. Thus,  $AEI = 1 - 2(AUR)$ .

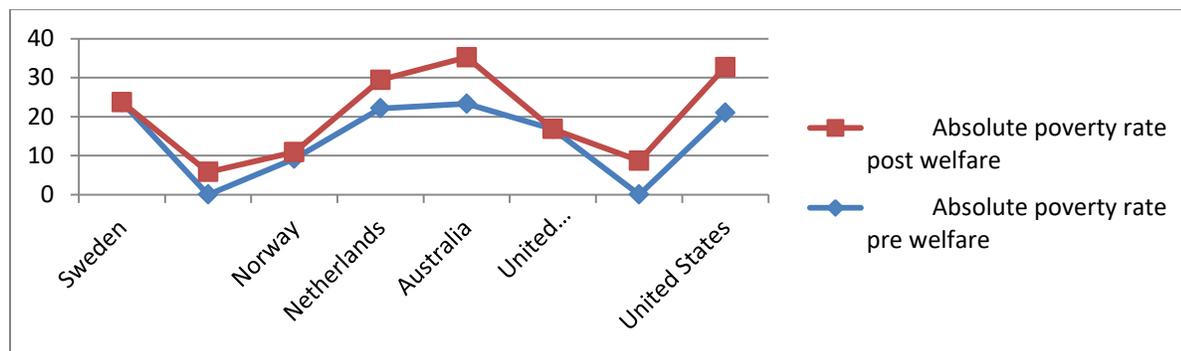
**Youth Employment Index:** YEI measures the rate of employment among members of the

labor force aged 15-24. It is derived by taking 1 minus the youth unemployment rate for ages 15-24 (YUR). In consideration of the great importance of providing employment opportunities to the young generation, we have assigned an equal weightage to YEI and AEI, even though the percentage of youth in the workforce ranges from 10 to 50% in different countries.  $YEI = 1 - YUR$ .

**Job Creation Index:** JCR measures the net change in the total number of jobs from year to year, which serves as the basis for the index, JCI.  $JCI = (1 + JCR) = JCI = 1 +$  where TE1 & TE2 are total employment in the previous and subsequent year. A value less than one for JCI signifies a decline in total employment from the previous year. A value of more than one signifies an increase in employment.

Empirical evidence suggests that taxes and transfers considerably reduce poverty in most countries whose welfare states

countries	ABSOLUTE POVERTY RATE	
	pre welfare	post welfare
Sweden	23.7	5.8
Norway	9.2	1.7
Netherlands	22.1	7.3
Australia	23.3	11.9
United Kingdom	16.8	11.7
United States	21.0	11.9



Housing systems and management practices have also changed profoundly with increased

mechanization and other technological developments. In a nutshell, despite offering

welfare benefits such as increased hygiene and minimal risk of predation, animal production has become increasingly industrialized, with quantity often taking precedence over quality

and attention being focused primarily on supply, price and competition. Observation of the animal's environment alone, i.e. design measures, does not address the potentially profound effects of the way the farmer manages the animals. Moreover, the links between design measures and the animals' welfare status are not always clearly understood. Therefore, Welfare Quality bases its assessment system mainly on the actual welfare state of the animals. Clearly, welfare is a multi-dimensional state and an effective assessment system must address many different aspects such as behavior, health, condition, performance etc. Therefore, welfare science is by definition multi-disciplinary. Furthermore, a variety of methodologies may be applied within disciplines. For these reasons, Welfare Quality builds on European strengths in the broad field of animal welfare, and integrates and inter-relates the most appropriate specialist expertise.

## CONCLUSIONS:

The principal aim of both activities is to promote human well-being. Both activities are extremely complex. Worldwide marketing strategies confirm that producers and retailers today are ready to apply new criteria so as to provide consumers with extra value. The perception is that "changes in the market will see fewer people going to the supermarket for the cheapest cuts of meat and instead being prepared to pay higher prices for sustainable produced quality. A clear example of this evolution is the recent inclusion of animal welfare requirements in many existing quality assurance schemes for poultry meat. Healthcare draws on knowledge from the life sciences, fields which are based on sound theory. Measurements are used extensively in health

care to formulate diagnoses. Some health The decision whether or not to apply these measures requires careful assessment of the patient's condition, always keeping in mind the essential

goal, human well-being. Although healthcare is based on sound underlying theory, it is subject to real uncertainties and risks, as it is based on incomplete information, which sometimes generates unexpected complications and cascading negative consequences. Comparing this chaotic behavior with the butterfly effect observed in classical physics underlines the enormous complexity in healthcare as well as economy. The status of theory in economy is far less satisfactory. We use mathematical models, but we lack adequate theory to explain underlying causes, social processes and consequences. We also face extreme difficulties in obtaining precise, timely information.

## REFERENCES:

- [1]Dimas, St. (2007) The European contribution to a global effort: next steps in measuring progress. Manuskript, EuropäischesParlament, 20. November 2007
- [2]Center for American Progress (Hrsg.) (2007) Progressive Growth. Transforming America's Economy through Clean Energy, Innovation, and Opportunity.
- [3]Zieschank, R. (2007)Einsatz von IndikatorenimRahmen der Nachhaltigkeitsstrategie der Bundesrepublik. – Anmerkungenaus der Sicht einesBefürworters. Challenger Report für den Rat fürNachhaltigeEntwicklung. Berlin.
- [4]Jejeebhoy, Shireen J. 1995. Women's Education, Autonomy, and Reproductive Behaviour: Experience from Four Developing Countries. International Studies in Demography, IUSSP. Oxford: Clarendon Press
- [5]Kabeer, Naila. 2001. "Reflections on the Measurement of Women's Empowerment." In Discussing Women's Empowerment-Theory



# International Journal for Innovative Engineering and Management Research

*A Peer Reviewed Open Access International Journal*

[www.ijemr.org](http://www.ijemr.org)

and Practice. Sida Studies No. 3.  
Novum Grafiska AB: Stockholm.

[6] Mason, Karen Oppenheim. 1997. "Gender and Demographic Change: What Do We

Know?" IN The Continuing Demographic Transition. Gavin W. Jones, Robert M.

Douglas, John C. Caldwell, and Rennie M. D'Souza, eds. Pp. 158-182.