Economic Crisis and Austerity in Southern Europe: Threat or Opportunity for building a sustainable Welfare State

European Social Observatory and AK Europa after work seminary
13 January 2015
VAT, policy and compliance gap
Composition of primary expenditure, by function

Source: Eurostat
Note: The split of social protection exp. between pension/non-pension is not available for the EA
Social spending to low and high income families

Average total cash transfers received by low- and high-income groups, percentage of average transfers in 2010

Source: OECD (2014).
Note: Transfers include all social benefits in cash. The reference year is 2009 for Hungary, Japan, New Zealand, Switzerland and Turkey. “Bottom 30%” and “top 30%” refer to average public transfers received by decile groups 1 to 3 and 8 to 10, respectively.
Social spending and poverty reduction

[Graph showing the relationship between social protection spending excluding pensions relative to GDP and the AROP reduction (in %). The graph is divided into quadrants labeled 'low spending, high poverty reduction' and 'high spending, high poverty reduction,' with additional quadrants for 'low spending, low poverty reduction' and 'high spending, low poverty reduction.' The countries are represented by diamonds labeled with their country codes.]