

The United States and Northern Europe Compared

Because Mitt Romney has become the Republican presidential candidate, it is time to scrutinize his words carefully. He clearly believes in American exceptionalism, where individuals believe they have an unequalled opportunity to rise in society by merit. He has also declared that President Obama is attempting to turn our country into Europe, implying that this would be unfortunate. Here he makes the egregious mistake of lumping together nations as diverse as Norway and Greece. Some European nations may however, provide the developing world a better example of the good life than does the US.

Ten northern European nations (Iceland, Norway, Sweden, Denmark, Finland, Belgium, The Netherlands, France, Germany and Austria) provide an interesting contrast to the US on several social indicators, average data being readily calculated from Google sources since 2000.

According to World Bank and CIA data the US is richer, gross domestic product (GDP) per capita (adjusted for purchasing power parity) amounting to \$45,800; in Northern Europe (NE) it is only \$38,560. CIA data for the standard Gini Coefficient of Income Inequity, however, show it is far higher in the US, 0.45 compared to 0.27 in NE (similar to most developed countries). Using GDP and Gini to calculate the Social Welfare Function of respected economist Amartya Sen (CIA data), it amounts to \$25,100 in the US, but \$28,200 in NE.

The US scores poorly on a common measure of social mobility. Brookings Institution data for the US and six NE nations show a link between individual and parental income almost twice as strong (0.47) in the US as in NE (0.24). The World Values Survey shows the percentage of Americans who are happy, minus those who are unhappy, is 84%; in nine NE nations it is 88%. The OECD says that they, happily, work 1541 hours per year compared to 1768 in the US.

The UN shows the US does not compare well with NE on health care, despite higher costs per capita: \$6,096 in the US and \$3,077 in NE. CIA data show infant mortality in NE at 3.56 per 100,000 live births, but 5.98 in the US. UN data show the US teen birth-rate is 42.5 per 1,000 girls aged 15-19, but only 5.5 in NE. CIA data show infant mortality in the US at 6.0 per 1,000 live births, but 3.6 in NE. This may reflect relative child poverty (household income less than 50% of the median), rated by UNICEF at 21.9% in the US and 6.5% in nine NE nations. Homicides per 100,000 inhabitants are 5.9 in the US, but only 1.4 in NE, according to the Guardian newspaper.

The Institute for Economics and Peace developed a Global Peace Index, based on internal factors including violence and crime and external factors such as military expenditures and wars. It has been endorsed by Kofi Annan, the Dalai Lama, Desmond Tutu, Jimmy Carter, and economist Jeffrey Sachs. The lower the Index, the more peaceful the country, and the US scores much higher (2.06) than NE (1.41). One reason: military expenditures per capita are only \$623 in NE according to the CIA. It does not provide a figure for the US; three other estimates average \$2,351!

Finally, a Democracy Index based on 60 indicators in 5 categories, produced by the Economist Intelligence Unit, gives NE a score of 8.9 compared to 8.1 for the US.

Clearly American exceptionalism has aspects that are less than desirable, and lessons can be learned from Northern Europe. One is that the quality of life has to be paid for. According to the Heritage Foundation, total taxes collected are 44.2% of Gross Domestic Product in NE but 26.9% in the US. Northern Europeans appear more willing to take good care of all their citizens by paying for it.