INTRODUCTION

'Australia is the best country in the world.' When people feel strongly about something, they often express themselves by making a comparative claim, but usually without taking the comparison seriously. Every country seems to invent myths about its own uniqueness ('Australia is the most egalitarian country in the world'), myths typically based on an ignorance of others. Mostly such casual comparisons flatter the country they are describing. More occasionally they indulge in self-flagellation ('Australia is the most overgoverned country in the world, with the world's worst politicians') or express a cultural cringe ('We are always 10 years behind America').

This book makes comparison its central purpose. It systematically compares Australia with 17 other countries, all affluent and stable liberal democracies, on a wide range of important social, economic and political phenomena.

Moreover, it seeks, whenever possible, not just to make snapshot comparisons from the present, but to chart trends. While there is value in presenting comparisons frozen at a single point of time, it is more instructive to trace common or contrasting trajectories – whether all these countries are experiencing greater unemployment, increased health spending, rising crime rates etc. There is an industry of politicians, journalists and market analysts devoted to intensively reporting short-term changes, and sometimes exaggerating their significance. There is much less public effort devoted to analysing the medium term and long term.

This book aims to go beyond the myopic preoccupation with the present that marks political controversies and most journalism to examine trends over the last decades and where possible even longer. Such a procedure allows us more perspective on the extent (and sometimes the limits) of the change we have already experienced. More cautiously it gives us some, although a very imperfect, basis for considering future developments. The future is rarely a simple extrapolation from the past, but charting secular trends is one tool for projecting future scenarios, and hence for planning and making policy decisions to give societies a greater mastery of their destiny.

The 18 countries chosen all share central socio-economic characteristics. All have conquered – at least for the majority of their populations – the basic struggle for life, so that the average life expectancy in them all is at least 75 years. The bulk of their populations has access to sufficient nutrition, safe drinking water and adequate shelter. All have close to 100% basic literacy. All are among the most affluent societies in the world. All have capitalist mixed economies, with a strong public sector. All have been stable liberal democracies since at least the late 1940s, with constitutionally governed, largely non-violent political competition with different parties alternating in power while central institutions remain stable, and where the government is by some minimal criteria representative and publicly accountable. In addition a further condition of minimum size was imposed – that the countries have populations of at least three million. This criterion excluded Iceland (population 270 000) and Luxembourg (population 418 000), which otherwise would have been included.

The comparative strategy chosen for this book can be labelled bounded comparison, selecting a fairly large range of countries with sufficiently similar political, economic and social characteristics to make comparison illuminating. This of course does not mean these countries are identical with Australia. (It is a common fallacy for people to say two situations are not comparable when they mean they are not identical.) Rather it means that the similarities are sufficient to make the pattern of commonalities and contrasts interesting, and to illuminate policy choices and institutional differences.

Why compare? Comparison serves three major purposes. Firstly it helps us to see ourselves more clearly. As Rudyard Kipling wrote a century ago – albeit in a somewhat different spirit – 'What do they know of England, who only England know?' In social science terms

it allows us to delineate the individual case more precisely, to make explicit what might otherwise have remained unexamined. What we imagine to be unique may be common to many societies, while what we take for granted as the natural or only way of doing things may in fact be unusual or even unique.

Secondly, comparison expands our universe of possibilities. It increases our knowledge that there are alternatives – alternative policies, different institutional arrangements, contrasting cultural assumptions. Most policy discussions take place within a restricted frame of reference. Domestic contention tends to focus upon our hopeless politicians, obstructive trade unions or rapacious corporations, looking only inwards when looking outwards can suggest policy and social alternatives beyond the framework within which domestic politicians are casting the problem. Equally, while the focus of comparison tends to concentrate on differences and contrasts, commonalities are often just as important and interesting. When trends and problems are broadly shared among a number of countries the causes are unlikely to be solely home-grown.

Thirdly, comparison is the social scientist's substitute for the experiment. We cannot subject whole societies to experimental testing, so disciplined comparison is our means for testing generalisations. The study of commonalities and contrasts allows us to be more disciplined in ascribing explanations and examining relationships. By charting similarities and differences, we can be more precise in our descriptions and more discriminating in our analyses.

While the potential value of comparative work is great, so unfortunately are the obstacles confronting it. One problem, common to all social science research, is particularly pronounced in comparative research – namely many of the most interesting and subtle aspects of socio-political life defy quantification or the construction of valid indicators to summarise simply their trends and differences. There is often truth in the charge that comparative measures are too crude to be meaningful. We do not claim that the tables in the following pages exhaust all there is to say about the quality of social and political life in these countries, but they offer data that can offer the parameters in which such qualitative discussions can proceed in a more informed way.

In terms of data quality, the two most central problems of comparative research are reliability and equivalence. Different countries often measure the same concept in different ways (or in some countries with problematic accuracy), making apparently comparable data in fact incomparable. The problem of equivalence means that comparing some isolated measure of behaviour may have very different meanings when put in its larger social context.

Although these problems are still pertinent, fortunately they have been greatly reduced over the last few decades. Care must still be taken with problems of comparability, but today's scholar has access to many more, and more extensive and harmonised, data banks than used to be the case. International bodies such as the United Nations and its member agencies, the World Bank, the International Monetary Fund, the European Union, as well as commercial organisations and academics, have laboured to produce valid and reliable comparative data. In particular the many sections of the Organisation for Economic Co-operation and Development (OECD) have produced a range of high-quality data on the relevant countries. Their work is the central resource for all interested in the comparative study of these advanced democracies, and we would like to think this book is testament to the importance and value of their work.

Although as will be evident we have been the beneficiaries of the competent work done by the professionals in these organisations, the frustrations have still been considerable. Discrepancies in data between different organisations often seemed inexplicable. One always had to be alert to changes or inconsistencies in the basis of measurement. Missing data for individual countries, often for no apparent reason, was another frequent irritant. As far as possible, we have only included tables, where

data was available for all 18 countries, to keep the basis for comparison as constant as possible. However, we have often had to depart from this standard when the interest of the data outweighed its incompleteness.

This book differs from the two most common types of books calling themselves comparative, firstly in focussing consistently upon the same set of countries throughout and making comparison the key within each part. In academic studies, edited books calling themselves 'comparative' are more accurately described as 'juxtapositions', as different authors tackle different countries in different ways, and the genuinely comparative element is minimal. Or else there may be comparative work, but the comparisons are based upon convenience, without a consistent or theoretically bounded set of countries being compared.

While most academic studies focus intensively on one narrow area, our aim has been to produce an encyclopaedic source book. We have sought to provide a reference source offering comparative data on as many aspects of social life as possible, from taxation to traffic accidents, homicide rates to health expenditure, from interest rates to internet usage. We have tracked economic indicators, but also demographic and social ones, and where possible different institutional and policy settings.

The second major source of comparative data is found in compendia of statistical information. Most are done by international agencies (sometimes constrained by diplomatic considerations to present their data in a neutral and non-controversial way), or by individuals whose primary aim is to put on record comprehensive data. These compilations often provide valuable data. However, they are commonly not reader-friendly. Nor do they make any effort to explain for the non-specialist the value and limits of the measures they are reporting.

In contrast, in this book, we have very deliberately exercised an editorial hand in the presentation of data. For example, we have been selective not comprehensive about the years for which data is presented (trying to keep tables clear, and making judgements about when added detail would add more clutter than extra meaning). Similarly rather than invariably presenting tables with countries in alphabetical order, we have often listed them in hierarchical order according to the phenomenon being studied, so that the main ordering and differences between countries are more quickly apparent. (In such 'league tables' most people focus on rankings and differences, but, as indicated earlier, what is often at least as important is how they have moved in common.)

Most importantly this is not just a book of tables, but rather each table is accompanied by a commentary about the meaning of the data, including sometimes a discussion of its limits. In this way we have sought to provide the reader not only with reliable and pertinent data, but with some discussion of its interpretation and significance. We try to probe the meaning of different measures, look at both common trends and countries which have performed quite differently from the norm, and sometimes seek to see whether there are any patterns in the differential performance of countries. However, in these discussions, as the title *How Australia Compares* indicates, we have always tried to put Australian experience into comparative perspective, invariably returning to the implications of these facts for considering Australia's performance, policies and prospects.

Chapter 1
PEOPLE

Table 1.1 **World population milestones**

World population	Year reached
1 billion	1804
2 billion	1927
3 billion	1960
4 billion	1974
5 billion	1987
6 billion	1999
7 billion	2013 (projected)
8 billion	2028 (projected)
9 billion	2054 (projected)

Table 1.2 **Global population sizes**

Population 2008

Global rank	Country	Population (millions)
1	China	1330.0
2	India	1148.0
3	United States	303.8
4	Indonesia	237.5
5	Brazil	191.9
6	Pakistan	167.7
7	Bangladesh	153.5
8	Russia	140.7
9	Nigeria	138.2
10	Japan	127.3
11	Mexico	110.0
12	Philippines	92.7
13	Vietnam	86.1
14	Germany	82.4
15	Egypt	81.7
16	Ethiopia	78.3
17	Turkey	71.9
18	Congo	66.5
19	Iran	65.9
20	Thailand	65.9
21	France	64.1
22	United Kingdom	60.9
23	Italy	58.1
24	South Korea	49.2
25	Burma	47.8
26	Ukraine	46.0
27	Colombia	45.0
28	South Africa	43.8
29	Argentina	40.7
30	Spain	40.5
37	Canada	33.2
38	Afghanistan	32.7
43	Iraq	28.2
47	North Korea	23.5
50	Taiwan	22.2
54	**Australia**	**21.4**
59	Netherlands	16.6
76	Belgium	10.4
88	Sweden	9.0
92	Austria	8.2
95	Switzerland	7.6
106	Papua New Guinea	5.9
109	Denmark	5.5
112	Finland	5.2
115	Norway	4.6
124	New Zealand	4.2
125	Ireland	4.2

1.1 Global population

The pace of population growth is dramatically apparent in Table 1.1. It took tens of thousands of years for the earth's population to reach one billion, while the next billion then took 123 years to add, but the third billion took only 33 years. Between 1987 and 1999, when the earth's population reached six billion, it took only 12 years to add a billion people. According to Nobel Prize-winning economist Robert Fogel, the increase in the world's population between 1900 and 1990 was four times as great as the increase during the whole previous history of mankind.

This population explosion is testimony to mankind's success. It was the mastery of agriculture, the ability to live in cities, and the ability to reduce disease and other threats to longevity that made the increase possible. However, the success threatens to bring its own problems. In particular, six billion people – especially experiencing a much higher standard of living – have a far greater impact on the earth's environment. If current trends in population growth are projected forward, they could threaten the planetary carrying capacity.

However, projecting forward is problematic. The United Nations Population Division, from whose data the table is drawn, sees the current rate of growth continuing in the near future, but thinks it will slow considerably by the middle of the 21st century, and from then on. They forecast that the global population will grow from seven to eight billion in 15 years, but then take 26 years to grow to nine billion. But then they predict it will take fully 129 years to reach 10 billion, in the year 2183. Obviously, the further in the future they are projecting, the more one should view the figures with caution.

As the earth's population has been growing, so have the political structures into which they are divided. The International Database of the US Census Bureau lists 226 entities. The word 'entities' is used because the list includes a handful of entries which are still colonies or which have a distinctive history, such as the Special Autonomous Region of Hong Kong, or whose status is contested, such as Taiwan.

Countries come in all sizes. Of the 226, 11 have populations greater than 100 million, while fully 70 have populations of less than one million. Table 1.2 therefore has to be selective. It includes the 30 most populous countries, our 18 selected democracies, and a few others which may be of particular interest.

Australia now ranks 54th globally, in the top quarter in terms of population. Since 1980, it has been overtaken by Malaysia, Iraq, Uganda, Mozambique and Ghana. It would take a peculiarly wrong-headed patriotism to be concerned by this. The most obvious message from the table is how little population size has to do with national destiny. The list shows no correlation with national prosperity, except perhaps that many of the smallest countries are more economically vulnerable. Size of population does correlate somewhat more with military strength and international power, but this is also very limited.

The tendency has been for population growth rates to decline as prosperity increases. The two most populous countries, China and India, especially the former, have slowed their rate of growth considerably, as a result of both official policies and rising living standards.

The other factor affecting the rankings is how nation states break up or combine. Nation states are not eternal or natural entities. They typically embody a sense of common destiny, 'imagined communities', in the phrase of the scholar Benedict Anderson. Karl Deutsch expressed a similar idea more sardonically – 'a group of people united by a common error about their ancestry and a common dislike of their neighbours'.

Most spectacularly, in the last quarter century, the Soviet Union, then the third most populous country in the world, broke into 15 different countries, while what was Yugoslavia more violently dissolved into seven different countries.

Table 1.3 **20th century populations**

	Millions		
Country	**1900**	**1950**	**2000**
United States	76.0	152.3	282.6
Japan	43.8	83.8	126.6
Germany	56.1	68.4	82.8
United Kingdom	36.7	50.1	59.5
France	38.9	41.8	59.3
Italy	32.4	47.1	57.6
Canada	5.4	14.0	31.3
Australia	**3.8**	**8.3**	**19.2**
Netherlands	5.2	10.1	15.9
Belgium	6.7	8.6	10.2
Sweden	5.1	7.0	8.9
Austria	5.8	6.9	8.1
Switzerland	3.3	4.7	7.3
Denmark	2.4	4.3	5.3
Finland	2.7	4.0	5.2
Norway	2.2	3.3	4.5
Ireland	3.1	3.0	3.8
New Zealand	0.8	1.9	3.8

Table 1.4 **Area and population density**

Country	**Population per square kilometre (2005)**	**Area (thousands square kilometres)**
Australia	**3**	**7687**
Canada	3	9976
Norway	14	324
New Zealand	15	269
Finland	16	338
Sweden	20	450
United States	32	9372
Ireland	59	70
Austria	98	84
France	111	549
Denmark	126	43
Switzerland	180	41
Italy	193	301
Germany	231	357
United Kingdom	245	245
Japan	338	378
Belgium	342	31
Netherlands	400	41

Table 1.5 **Population growth rates**

Average annual growth rate (%) (2000–2010 is projected)						
Country	**1950–1960**	**1960–1970**	**1970–1980**	**1980–1990**	**1990–2000**	**2000–2010**
Ireland	–0.5	0.4	1.4	0.3	0.8	1.4
Australia	**2.3**	**2.0**	**1.6**	**1.5**	**1.2**	**1.2**
New Zealand	2.2	1.7	1.2	0.7	1.3	1.0
Canada	2.7	1.8	1.2	1.2	1.0	0.9
United States	1.7	1.3	1.1	0.9	1.2	0.9
Switzerland	1.3	1.5	0.2	0.6	0.7	0.7
France	0.9	1.1	0.6	0.5	0.4	0.6
Norway	0.9	0.8	0.5	0.4	0.6	0.6
Austria	0.2	0.6	0.1	0.2	0.4	0.5
Italy	0.6	0.7	0.5	0.1	0.0	0.4
Sweden	0.7	0.7	0.3	0.3	0.4	0.4
United Kingdom	0.4	0.6	0.1	0.2	0.3	0.4
Belgium	0.6	0.5	0.2	0.1	0.3	0.3
Denmark	0.7	0.7	0.4	0.0	0.4	0.3
Finland	1.0	0.4	0.4	0.4	0.4	0.3
Netherlands	1.3	1.3	0.8	0.6	0.6	0.3
Germany	0.6	0.7	0.0	0.2	0.3	0.1
Japan	1.2	1.1	1.1	0.6	0.3	0.0
Mean	1.0	1.0	0.6	0.5	0.6	0.6

1.2 Population growth

Population was one of the first concerns of the Australian Federation. A Royal Commission was established in the first decade of the 20th century to see 'whether we shall be able to people the vast areas of the continent which are capable of supporting large populations'. World War II brought a new intensity of concern. In 1948, Australia's first Minister for Immigration, Arthur Calwell, asserted that 'Additional population is Australia's greatest need. For security in wartime, for full development and prosperity in peacetime, our vital need is more Australians.'

These tables both confirm and qualify Australians' traditional fears of being 'underpopulated'. Table 1.3 shows that in 1900 Australia's population was only 3.8 million, and Table 1.4 shows that even now its population density is the most sparse among the selected countries, with only three people per square kilometre. At the other extreme, the Netherlands has 400, and Belgium and Japan more than 300, persons per square kilometre. However, the differences in population density suggest that to some extent at least geography is destiny. The seven countries with the lowest population density all have substantial areas inhospitable to human settlement, with mountains, desert or arctic wastes.

On the other hand, in terms of population size, Australia is certainly not a minnow. It ranks in the top half of these 18 countries, and, as we saw from Table 1.2, it ranks within the top quarter globally. Historically, the most important reason for the preoccupation is the contrast with the Asian giants. As Table 1.2 also showed, eight of the world's most populous 15 nations are in Asia.

The starkest aspect about proposals to increase Australia's population as a solution to either its security or economic problems is the lack of realism about scale. No conceivable amount of population growth is going to change the crucial equations. Neither is it likely Australia will ever rank anywhere but near the bottom of league tables on population density. Merely to catch up with Norway's 14 people per square kilometre Australia's population would have to increase to an improbable 107 million. Nor is any increase in population size possible such that it would become easier to compete with trading blocs such as the European Union, which has allowed member nations to exploit economies of scale far beyond their individual size.

Nevertheless different rates of population growth do make a difference, especially when sustained over a long period of time. During the 20th century, and especially in its second half, the four English-speaking New World democracies had substantially higher growth rates than the West European countries and Japan. Australia's population by the year 2000 was five times what it had been in 1900. (Canada, the fastest growing of the countries, increased 5.8 times.) In contrast, nine of the European countries had populations that were less than double what they had been a century earlier. In 1950, Australia's population was just less than Belgium's, by 0.3 million. Fifty years later, Australia had nine million more people than Belgium.

Table 1.5 shows average annual growth rates for the 60 years from 1950, based on the US Census Bureau's International Database; the last column based on their projections for each country's 2010 population. It shows the rate of growth has slowed considerably. In the 1950s and 1960s, it was almost double what it has been in the four subsequent decades. Several of the countries in the bottom half of the table have had decades where their growth rate has been close to zero.

Australia – and the other New World English-speaking democracies – has been close to the highest rate of growth in all periods. The fastest growing country in the first decade of the 21st century, Ireland, is the country with the most variable rate. It exhibited negative population growth in the 1950s, but its recent prosperity has attracted a surge of immigration.

Table 1.6 **Life expectancy 1900–2000**

Life expectancy at birth by years			
Country	**1900**	**1950**	**2000**
Japan	44.5	63.9	80.7
Australia	**56.5**	**69.6**	**79.8**
Sweden	55.8	71.8	79.6
Switzerland	50.7	69.2	79.6
Canada	..	69.1	79.4
Italy	44.5	66.0	79.0
France	47.0	66.5	78.8
Norway	56.3	72.7	78.7
Netherlands	56.1	72.1	78.3
Belgium	47.1	67.5	77.8
New Zealand	59.4	69.6	77.8
Austria	40.1	65.7	77.7
United Kingdom	50.5	69.2	77.7
Finland	46.7	66.3	77.4
Germany	46.6	67.5	77.4
United States	49.3	69.0	77.1
Ireland	49.5	66.9	76.8
Denmark	54.6	71.0	76.5
Mean	50.3	68.5	78.3

Figure 1.1 **Male life expectancy (years)**

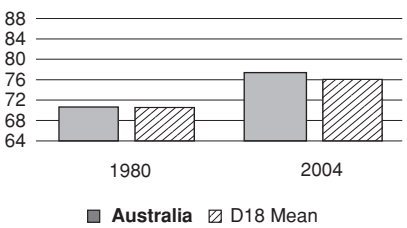
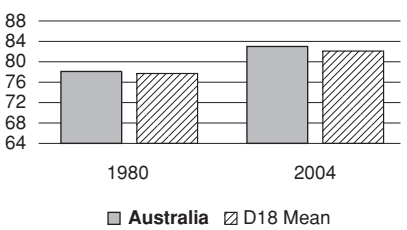


Figure 1.2 **Female life expectancy (years)**



1.3 Life expectancy

Politicians and social commentators are increasingly talking of the problems caused by an ageing society. Although there are substantial policy issues posed by this demographic trend, it should be remembered that its most basic cause is good news – people are living longer. An ageing society was a problem cavemen never had to contend with.

The figures in Table 1.6 tell a great success story. During the course of the 20th century, average life expectancy in the advanced democracies rose by more than half – from around 50 to nearly 80 years. Indeed, according to Nobel Prize-winning economist Robert Fogel, the increase in life expectancies during the 20th century was more than double what it had been during the previous 200 000 years. Part of the explanation has been the improving life chances of the poorest groups. Fogel points out that for the cohort born in Britain about 1875, the upper classes had a life expectancy around 17 years greater than the working classes. Today the gap has narrowed to around four years.

This reminds us that the table's figures offer the mean life expectancy for each country, and can conceal substantial differences between sub-groups. Most dramatically in Australia's case, in 2001, the life expectancy for Aboriginal women was 65 years and for Aboriginal men 59 years, in both cases a difference of more than 15 years from the white population.

Overall, as the table shows, Australia ranked second in the year 2000 – with life expectancy at birth touching 80 years – the same rank it had had a century earlier. The rise in life expectancy was most dramatic in Japan, which went from the lowest in 1900 to the highest in 2000. It was particularly with its post-World War II prosperity and democracy that Japanese increases in life expectancy out-paced the other countries.

However, the most notable aspect of the data is the commonality between the countries. Life expectancy in all of them increased substantially (somewhat less so in some of the already long-living Northwest European countries). In 2000, life expectancy in all 18 countries was closely grouped, all falling within a range of just over four years.

Moreover, as Figures 1.1 and 1.2 show, over the last quarter century all have continued trending upward. The mean for females rose by 4.5 years, and for males by almost six years. Female life expectancy is on average around six years greater than males'. The accompanying web tables show that in all these countries, women live longer than men, as they have for all the periods where there is data. Among both males and females, Australia ranks near the top, but again the outstanding feature of the tables is the countries' close grouping and the shared trends towards greater life expectancy among both sexes and across all countries.

The OECD notes that these gains have been made possible by rising standards of living, improved working conditions, public health interventions and progress in medical care. It explains that improvements in life expectancy at birth actually reflect a decline in mortality rates at all ages, ranging from a sharp reduction in infant mortality to higher survival rates at older ages. Fogel emphasises the virtuous circle between increased nutrition and stronger, more robust bodies, and shows how increasing average height has correlated with increasing life expectancy. The Australian Bureau of Statistics observed that in Australia longer life expectancy in the first half of the 20th century was because of a decline in deaths from infectious diseases, due to cleaner water and better sewerage systems, as well as initiatives like mass immunisation. Rises in life expectancy slowed in the decades after World War II largely because of increases in cardiovascular disease. While earlier it was the increasing number surviving into old age that raised the mean, more recently the major source of increase is that older people are living longer.

Table 1.7 **Fertility rates**

Average number of children borne by a woman during her lifetime at each year

Country	1900	1950	1970	2000	2005
United States	3.8	3.4	2.5	2.1	2.1
New Zealand	..	3.5	3.3	2.0	2.0
France	2.8	2.7	2.5	1.9	1.9
Ireland	..	3.3	3.9	1.9	1.9
Norway	4.1	2.6	2.5	1.9	1.8
Australia	**3.4**	**3.2**	**2.9**	**1.8**	**1.8**
Denmark	4.0	2.6	2.0	1.8	1.8
Finland	4.8	3.0	1.8	1.7	1.8
United Kingdom	3.4	2.2	2.4	1.7	1.8
Sweden	3.9	2.2	1.9	1.5	1.8
Netherlands	4.5	3.0	2.6	1.7	1.7
Belgium	4.0	2.3	2.3	1.7	1.7
Canada	4.8	3.7	2.3	1.5	1.5
Switzerland	3.3	2.3	2.1	1.5	1.4
Austria	4.9	2.1	2.3	1.3	1.4
Germany	4.8	2.2	2.0	1.4	1.3
Italy	4.4	2.3	2.4	1.2	1.3
Japan	5.2	3.6	2.1	1.4	1.3
Mean	4.1	2.8	2.4	1.7	1.7

Table 1.8 **Distribution of age groups 1960**

Percentage of population in each age group, 1960

Country	Under 15	15–64	65 and over
Japan	30	64	6
Finland	30	62	7
Canada	34	59	8
New Zealand	33	58	9
United States	31	60	9
Australia	**30**	**61**	**9**
Netherlands	30	61	9
Italy	23	68	9
Ireland	31	59	11
Norway	26	63	11
Denmark	25	64	11
Switzerland	23	66	11
Germany	21	68	11
France	26	62	12
Belgium	24	65	12
United Kingdom	23	65	12
Austria	22	66	12
Sweden	22	66	12
Mean	27	63	10

Table 1.9 **Distribution of age groups 2005**

Percentage of population in each age group, 2005

Country	Under 15	15–64	65 and over
Ireland	21	68	11
New Zealand	22	66	12
United States	21	67	12
Australia	**20**	**67**	**13**
Canada	18	69	13
Netherlands	19	68	14
Denmark	19	66	15
Norway	20	66	15
Austria	16	68	16
Finland	17	67	16
France	18	65	16
Switzerland	16	68	16
United Kingdom	18	66	16
Belgium	17	66	17
Sweden	17	65	17
Germany	14	67	19
Italy	14	67	19
Japan	14	66	20
Mean	18	67	16