

New Perspectives on the Economic Security Component of the Index of Economic Well-being

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Abstract

With the economic crisis, the issue of economic security has risen to the forefront of economic debate. One of the four components or domains of the Index of Economic Well-Being, developed by the authors earlier this decade (Osberg and Sharpe, 2002 and 2005), is economic security. The objective of this paper is to survey new perspectives on this measure of economic security in light of recent development in the economy and in the literature on economic security.

The first part of the paper discusses our methodology for our measure of economic security, the amendments that have been made over the years, and the rationale for these changes. The second section presents updated estimates to 2007 for seven OECD countries (United States, the United Kingdom, Canada, Australia, Germany, Norway and Sweden). The third section summarizes some of the recently emerging literature on economic insecurity and considers the adequacy of our framework for discussion and measurement of economic (in)security during times as tumultuous as the present. The paper concludes with some discussion of possible future improvements.