

# **By How Much Do Social Transfers Reduce Income Poverty And Material Deprivation In Europe? The Impact Of Social Protection Transfers On The 2020 Social Inclusion Target**

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**Paper Abstract:** This paper develops a simulation approach to study the effects of income transfers on material deprivation. The method is applied to pre-recession and post-austerity EU-SILC data for Germany, Greece, Poland and the United Kingdom. The results show that income transfers can not only reduce income poverty but they can also substantially reduce the extent and depth of material deprivation. Changes in social transfers have therefore a two-fold effect on the Europe 2020 poverty reduction target.