

Methodological problems of studying the living standard and life quality in international practice

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Abstract. Assessment of living conditions and welfare of the population in modern conditions is associated with the categories of “life quality”, “working life quality”, “living standard”. In the course of the study, it was found that these concepts still do not have a generally accepted interpretation, and their interpretations are subjective-objective. Consequently, there is an inconsistency in experts’ positions on the system of quantitative and qualitative parameters and methods of assessment corresponding to each of the categories. Nevertheless, there is no doubt that the essence of the concept of life quality is much broader than the concept of living standard and goes beyond the minimum essential needs of society. The article summarizes the conceptual and methodological approaches to assessing life quality. The study revealed that the information sources for implementing the objective approach are indicators published by statistical authorities, while the subjective approach is based on expert evaluations, public opinion polls, social ratings. The authors present an analytical review, confirming the need for further scientific research in assessing the level and quality of life, aimed at eliminating the methodological differences in the interpretation of their essence and content.

Keywords: life quality, living standard, working life quality, subjective-objective approach, Human Development Index, rating

1 Introduction

The population’s level and quality of life are linked to the social policies pursued in various directions by state governments. To this end, Russia guarantees protection of the family and maternity, supports the disabled and the older generation, establishes a living wage, pensions, allowances, and other social protection guarantees. This kind of activity has the primary function of providing social security to meet the minimum needs necessary to

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ensure human life, health, and workforce restoration. The "living standard" concept was first introduced to compare population groups in the United States [1].

Life quality is a complex category and implies an expanded list of needs that far exceed the minimum level attributed to the living standard. The term "life quality" began to be used in Western science and practice around the second half of the 20th century and had no definite meaning or content. In this regard, M.Y. Prisyazhny points out: "Despite active developments in this area in the interpretation of the concept, there is a lot of diversity and variability" [2]. One of the integral indicators of the life quality used in international comparisons is the Human Development Index, which defines the basic opportunities for people to participate in society.

From this point of view, the essential characteristics of the concepts of "living standard" and "life quality" are not equivalent. The living standard is defined by material well-being using indicators of the population's income, and the quality of life additionally includes economic, social, environmental, cultural, and other components. There are examples of attributing income, material, and housing security indicators to the category of life quality [3], which confirms the methodological uncertainty of these categories. The living standard should be viewed as an integral component of life quality.

2 Materials and methods

The study aims to identify the specifics and summarize the methodological problems relating to the essence, content, and methods of assessing the level and quality of life in international practice.

This paper presents an overview of approaches to assessing the state of the living standard and life quality. The study's methodology is based on the fact that the approaches to the study of the categories are subjective-objective. Objective evaluations are formed based on statistical data and integral indicators. At the same time, an objective approach requires a subjective assessment of the compliance of official criteria with the population's needs [4]. Subjective evaluations address the perception of the existing system of life support in the perceptions of the mass consciousness. Sources of information are expert opinions, ratings, and surveys. The authors analyzed domestic and foreign research within socio-economic, psychological, and sociological trends. Multidimensionality of the problem implies the use of general scientific and special research methods, including analysis, synthesis, scientific analogy, inductive and deductive methods, structural analysis. We used an assessment of the dynamics of statistical indicators of the living standard and life quality to illustrate meaningful results. Assessment of the condition and changes in the life quality in foreign practice is based on the rating results.

3 Results

International practice pays attention to the study of life and working life quality. A common trend is the diversity and inconsistency of indicators generated by different research groups. The first attempt to create a system of indicators to measure the quality of life was the UNRISD project, which in 1970 developed a social development index that included 9 social and 7 economic indicators. The same year, the International Labor Organization (ILO) began to study the working life quality and established the following indicators: health, training, employment and leisure time, social environment, security and justice, participation in public life, economic situation, and environment [5]. The UN General Assembly has also focused on the living standard, adopting Resolution No. A/RES/40/179

in 1985 [6], which stresses that the living standard requires a variety of indicators, including an assessment of living conditions, employment, consumption patterns, education, and health care.

The question of measuring and assessing people’s well-being was raised in 2008 by the Stiglitz Commission. Based on the Commission’s recommendations, in 2011, the OECD has launched “The OECD Better Life Index”, which consists of two parts: “Your Better Life Index” and “How’s Life?” When calculating the index, 13 indicators in 11 areas are considered. Social and gender inequality ratios complement the “How’s Life?” system of indicators. The World Happiness Report follows the same rule [7]. Subsequently, all developments were transformed into the Human Development Index (HDI), published annually since 1990 by UNDP (Fig. 1).

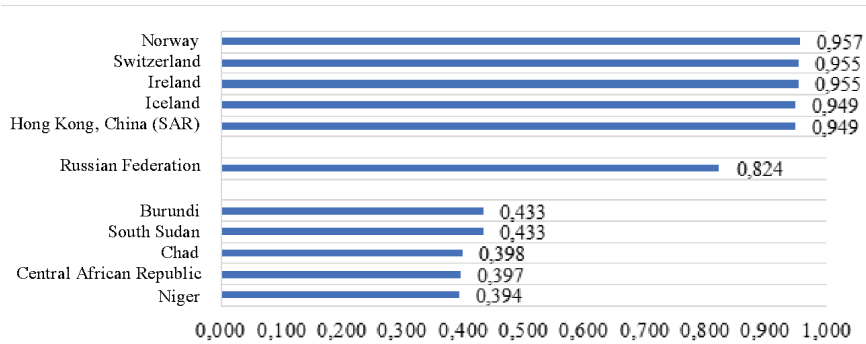


Fig. 1. HDI country ranking in 2020 [8].

In the HDI countries ranking, the top five countries with a very high level of human development have not changed for many years, Norway, Switzerland, Ireland, Iceland, and Hong Kong. In this case, Norway takes first place in the ranking, taking into account inequality. Russia is in the same group but in the sixth ten.

In Russia, the Federal State Statistics Service (Rosstat) monitors the population’s living standard. It is important to determine their nominal and real levels when assessing the income of the population (Fig. 2). The calculations reveal three features: 1) the growth of average per capita money income is slower than the growth of average wages; 2) the change of indicators is wavy; 3) in some periods, the growth of income of the population takes negative values, indicating their reduction in real terms.

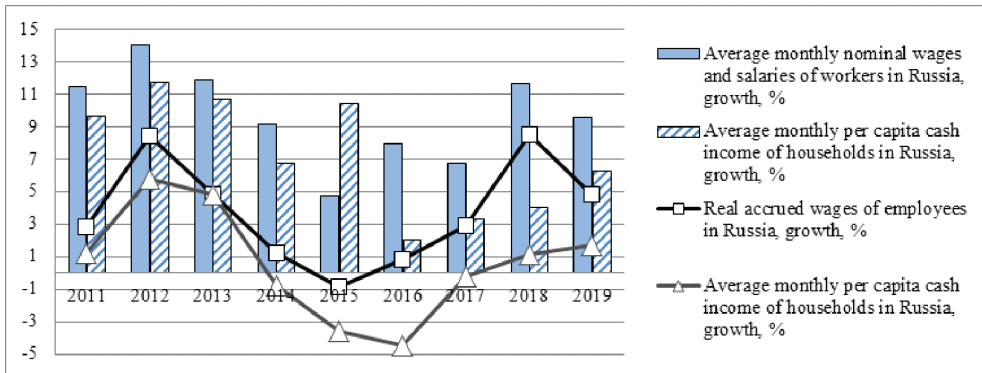


Fig. 2. Dynamics of indicators of nominal and real wages and average per capita income in Russia in 2011-2019, % (calculated by the authors).

Since 2012, RIA Rating has been rating the quality of life in 85 regions of Russia. The rating is based on an assessment of 70 indicators in 11 areas. A summary rating for 2020 is shown in Figure 3.

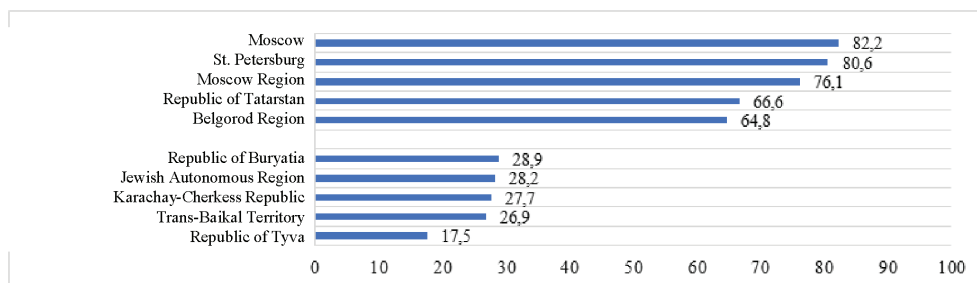


Fig. 3. Rating of Russian regions by life quality in 2020 [9].

For several years, the top three in the rating have not changed – Moscow, St. Petersburg, and the Moscow region have a combined rating score of over 75 out of 100, which is unattainable for other regions. Regions in the top five rankings are characterized by a high level of economic development, investment attractiveness, and a wide range of opportunities to meet the needs of people. The regions trailing the rating also do not change significantly from year to year. The main problems determining the value of the composite rating score below 30 are related to the low level of income and high unemployment, which is determined by the low level of socio-economic development.

4 Discussion

Any versions of the life quality components proposed by experts cannot be exhaustive, first, because of the subjectivity of understanding the essence of the concept, second, in connection with the development of scientific and technological progress; and third, because of the increasing need to improve individual and public life. Modern sociological theories, considering the category “life quality”, take into account the alternating change of three types of society: traditional, industrial and post-industrial, while “...increase in industrial needs and professionalism leads to the fact that access to higher education will already be one of the conditions for entering post-industrial society” [10].

The modern approach to defining the essence of people’s life quality and well-being is associated with a close intertwining of problems not only in the economic plane but also in sociology, psychology, and cultural studies. In his work, E.V. Lisova notes: “The current ... situation, pushes researchers to carry out an independent choice of indicators of regional social development for its description and evaluation” [11]. Thus, the system of components and life quality indicators, which is generally accepted in theory, has not yet been developed.

As a result of multidisciplinary research, new strands of scientific analysis have emerged, such as the “happiness economy” and the “impression economy”. The idea of the “happiness economy” is based on that the main goal of economic development is people’s happiness [12]. Research in the “impression economy” links the development of society and the ability to transform positive impressions into a source of economic growth [13].

Despite the long history and widespread use of HDI, the UN methodology has been repeatedly criticized in terms of the reliability of the calculations and determining the significance of individual factors [14]. The structure of HDI indicators is regularly reviewed

and supplemented, so from 2020 the calculation of the index includes indicators of greenhouse gas emissions and the use of natural resources.

Certainly, the COVID-19 pandemic has affected the life quality of the entire planet and caused a sharp decline in its health and well-being [15, 16]. K. Mouratidis, in his study, notes: "...general health, life satisfaction, happiness, satisfaction with personal relationships and recreation, satisfaction with income and vacations decreased during COVID-19" [17]. In addition, the COVID-19 pandemic has led to a worldwide mental health crisis [18].

The emergence of new criteria for assessing the level of socio-economic development has led to the need to find tools for quantifying such development, considering both objective and subjective indicators.

5 Conclusion

When studying the indicators and methods of assessing the life quality of the population, the authors concluded that due to the lack of a clear interpretation of the essence and definition of concepts, a generally recognized and objective method of assessing the level and quality of life in the scientific literature and practice has not been formed. The confusion of concepts makes it difficult to measure these indicators quantitatively and qualitatively and make an objective assessment. At the same time, the integral indicator of the living standard is gradually expanding the boundaries of its parameters, approaching indicators of life quality. It has been found that overall satisfaction with living conditions and life quality positively correlates with the growth of people's material well-being in the future [19]. The indicative approach to measuring life quality claims to be objective and tends to be formalized.

The methodology of research on the living standard and life quality is constantly being enriched by new views on the problems in this area. Thanks to the studies of the Stiglitz Commission, the question of the feasibility of using GDP as an indicator of economic and social progress was raised [20].

The living standard of the population affects social sustainability and economic potential at the national level. This is due to the mutual influence and interdependence between any state's social and economic fields. On the one hand, the financial and material basis for social development is economic growth; on the other hand, the achieved level of life quality corresponds to the aggregate demand for goods, works, and services, contributing to increased business activity.

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