Comparative Assessment of Quality and Life Standards in Russia and Abroad

Pechenaya L.T.*
Moscow State University of Food Production
Moscow, Russia

Stroev V.V.
Moscow City University
Moscow, Russia

Magomedov M.D.
Moscow City University
Moscow, Russia
e-mail: profmagomedov@mail.ru

Karabanova O.V.
Moscow City University
Moscow, Russia

Domarev I.E.
Moscow City University
Moscow, Russia

Abstract — **"Quality of living" and "standard of living" are closely connected social-economic categories largely which determine the social-economic efficiency and development of any country. The purpose of the study was to assess the quality of living of the population of Russia and identify ways to improve it. To minimize the gap of the standard of living between Russia and developed market economies it is necessary to take targeted measures by the state. This should be preceded by a definition of the actual state of the quality of living and its compliance with the indicators adopted in official estimation. Therefore, the study was aimed to identify deviations of real values of the quality of living from the calculations used in practice, as well as to search for the methods used by developed economies and appropriated to Russia. The methods used for the study were analysis of the structure of expenses for the living support of a low-paid category of employees, interviewing to define the satisfaction with the quality of living, comparative analysis of Russian and foreign methods of calculating the minimum salary and consumer basket. The results were taken as the basis for substantiating ways to improve the quality of living of the population of our country.**

Keywords — **quality of living, social-economic efficiency, minimum salary, consumer basket.**

I. INTRODUCTION

The quality of life of the population is an integral characteristic of the social and-economic level of any country. Therefore the studies devoted to its assessment are relevant. A comprehensive understanding of all aspects of this problem is important for the formation of the socio-economic development programs of Russia in the medium and long term. Studying of the methodological approaches of domestic and foreign scientists to the researches of the quality of life of the population indicates a lack of the unifying vision. This concerns assessment indicators selection, criteria establishment, methods, and the coverage of various aspects of the life support of the population. Despite the measures taken

by the state, the quality of life of Russian citizens is significantly inferior to developed countries.

II. PROBLEM STATEMENT

According to the specialized website service "Numbeo" (visiting date – 2019), the leading positions in the rating of countries according to the standard of living, which includes 77 countries, were ranked by Denmark, Switzerland, Finland, Australia, and a number of others. Russia has moved from 59th to 62nd position. The assessment was carried out according to the following parameters: cost of living; household purchasing power; property value; health care level; environmental pollution; climate; security; work commuting [14]. This rating should be taken into consideration when substantiating the country's socio-economic development programs, based on the experience of states that have achieved the best results in this area.

III. PURPOSE OF THE STUDY

The main purpose of the study is to substantiate the ways and actions targeted at the quality of life of the population of Russia improving on the basis of identifying the compliance of actual indicators with established criteria and taking into account influence factors.

IV. RESEARCH QUESTIONS

The following tasks are set to achieve this purpose:

- to compare key indicators of living standards in Russia and in the developed countries;

- to establish the compliance degree of the minimum wage with the total minimum cost of living for citizens;

- to carry out a questionnaire survey to assess satisfaction with the quality of life of the population of Russia;

- to identify the ways of the quality of life of the population of Russia improvement and to substantiate the actions for their implementation.

V. RESEARCH METHODS AND METHODOLOGY

When studying the main issues of the topic, the author uses the following methods:

- monographic,

- analysis and synthesis,

- comparison,

- questioning,

- expert assessments.

Based on the results of the study the conclusions and recommendations are formulated.

The specifics of the socio-economic category "quality of life" determine special methods for studying this area of science. In order to formulate a complete, accurate and objective idea of the quality of life of a country's population, it doesn`t do to be limited only by analysis, assessment and ranking. It is necessary to use such methods as questioning the population with different income levels, with emphasis on a group of poor citizens; expert evaluations; logical interpretation of data. To obtain objective factual information about the welfare of citizens and its comparison with normative indicators, a number of tables are to be provided to determine the sufficiency of specific incomes for two categories of residents of our country: 1) low-income (minimum) and 2) middle-income citizens, taking into account the mentality and human needs (individual, desired). Totally, this study has covered 92 men (mainly residents of Moscow), including 60 % of women and, accordingly, 40 % of men. The study was conducted by researches, working for Moscow State University of Food Production and Moscow City University with the involvement of students. In addition to this research method, a questionnaire was used according to a specially developed list, including 12 questions. The purpose was to identify satisfaction with the amount of the family income per person; medical care; access to education; conditions for the development and promotion of the career ladder; work-life balance; the opportunity to engage in sports, favorite things (theater, travel, etc.). The formed information base, being representative, was taken as the basis for determining ways to improve the quality of life of the population, taking into account the experience of developed countries. The results of the study are important for the substantiation of the country's development projects for the future, taking into account the main factors of influence.

VI. CONCLUSION

The study and analysis of the domestic and foreign researches demonstrated a wide range of opinions regarding the term "quality of life". Thus, many authors give priority to the concept of "standard of living", explaining their position by the fact that the quality of life is less accessible to quantitative determination and statistical monitoring, less

convenient for comparison in time and inter-regional space [1–4]. However, this concept is becoming more widespread and, in our opinion, can be considered as the highest substance of the "standard of living" accepted as the basis of the socio-economic category, by expanding the quantitative side and giving it qualitative nuances. The quality of life should be considered as a socio-economic category that includes objective and subjective characteristics and indicators that allow assessing the satisfaction of the country's population with their life in terms of diverse needs and interests. The composition of the objective characteristics of the quality of life includes: housing conditions; social security and guarantees; respect for human rights and the rule of law; climatic conditions; state of the environment; work-life balance, etc. Subjective indicators include: the availability of free time and the ability to use it; a sense of peace, comfort and stability; satisfaction with the socio-political life, etc. The complexity and multidimensionality of this concept lead to a system of indicators (quantitative and qualitative) and a number of criteria which are required to assess the quality of life. The size of GDP per capita, level and structure of specific incomes and expenses, living wage, life expectancy, birth rate, etc. can be taken as basic quantitative indicators.

The quality of life of the population is influenced by a large number of factors systematized into groups: economic (level and differentiation of income, cost of living, rate of inflation, employment opportunities by profession, consumption and savings, etc.); social (social standards and guarantees, pensions, access to education, health status,); psychological (security, participation in public life, information support, mentality); natural and climatic (climate change, natural disasters, technological disasters); culture-forming (the possibility of cultural development, physical education, sports, tourism, recreation). At present, in Russia, the impact of a group of economic (material) factors of influence, primarily the level of citizens' income per capita, as well as the sharp differences between this indicator between the least well-off and high-income segments of the population are most noticeable.

The standard of living of citizens of Russia is largely determined by low incomes, as well as a high share of food costs in the total amount of expenses for life support, which, in addition to food costs, includes: housing and communal payments, expenses for the purchase of clothing, furniture, household appliances, for transport, communication, etc. Japanese scientists say that the country is below the poverty line and is characterized by an extremely low level of quality of life when the share of food expenses in the structure of total spending by citizens exceeds 30 %. An even tougher criterion is set by European scientists – 20 % [10, 12]. The study revealed that the share of food expenses on average in the country is 37.8 %, and in some regions in the low-income category of citizens it can reach 70 % and higher, which indicates a low standard of living and underdeveloped economy. In such conditions, the population has not practically an opportunity to maintain their cultural level, or to do what they love. Accordingly, citizens' expenditures on food require special attention, and depend on the state of agriculture, food and processing industries, as well as on state

support for these sectors of the economy. In this regard, the statement of V.M. Foal, which, along with a direct connection: "between the standard of living and social production there is an inverse relationship" [2, p. 14]. Modern Russia has the potential to not only fully provide food to the citizens of our country, to supply surplus for export, but also to provide humanitarian assistance to the population of states that find themselves in difficult economic, political, environmental and climatic conditions. This is facilitated by a steady upward trend in agricultural production. So, after a long decline in 2018 as compared to 2017, there has been an increase in meat production by 3.0 %, cheese – by 2.5 %, milk – by 1.4 %, fish – by 5.1 % [6]. However, experts note that: "Foods included into the consumer basket content for the main socio-demographic groups of the population are set at a level significantly lower than the rational norms recommended by the Ministry of Health of the Russian Federation" [5]. Limited possibilities of budget financing lead to a deficit in the diet of Russians of meat, dairy products, fruits and vegetables, as well as fats, protein, and trace elements necessary for the human body. A balanced diet is especially important for the child's body, since the inability to maintain it at the proper level becomes one of the reasons for the decline in the birth rate and the reduction in the population of our country (on average about 1 % per year). Attention is required to the composition of the domestic consumer basket, which counts 156 items, while in developed countries it is much more: in France – 256, in the USA – 300, in Germany – 475, in England – 700 items.

The calculations based on the information obtained to determine the actual expenses for the life support of the category of the least well-off citizens showed that the actual cost of the consumer basket exceeds the official indicator used for calculation by 9-12 %, depending on the choice of prices. Accordingly, the calculated minimum wage is higher than the minimum wage established by law, which is recommended for employers to take into account when determining wages for unskilled workers to reduce staff turnover.

In some European countries (Denmark, Italy, Austria, Finland, Sweden, Cyprus) the state has not introduced the concept of minimum wage. At the same time, Denmark occupies one of the leading ranking in terms of living standards, where high levels of earnings are achieved, which cover high prices for housing, food, transportation, entertainment, etc. The average income of an average Danish family is $ 24.7 thousand, in Finland – $ 25.8 thousand, in Norway – $ 32 thousand, in the USA – $ 38 thousand. Denmark achieved a high level of socio-economic equality, where the minimum gap between the incomes of the rich and the poor corresponds to 3.5 times, while in the USA – 7.9 times, and in Russia – 9 times. Well-being in this country was facilitated by a well-established system of social security, free education and medical care. A typical Danish family expenses structure includes: expenses for: food (including alcohol and tobacco) – 17 %; housing – 22 %; electricity and heating – 7 %; furniture items – 6 %; clothes and shoes – 5 %; medical services – 2 %; transport and communications – 17 %; leisure and entertainment – 11 %; other goods and services (including children) – 13 %.

In France, there is a constant increase in the cost of the consumer basket (by 3.5 – 4.5 % per year), which currently corresponds to 137 Euros (about 12 % of the minimum wage – 1153 Euros). For comparison, the figure provides the main indicators of the standard of living of Russia and France for 2017.
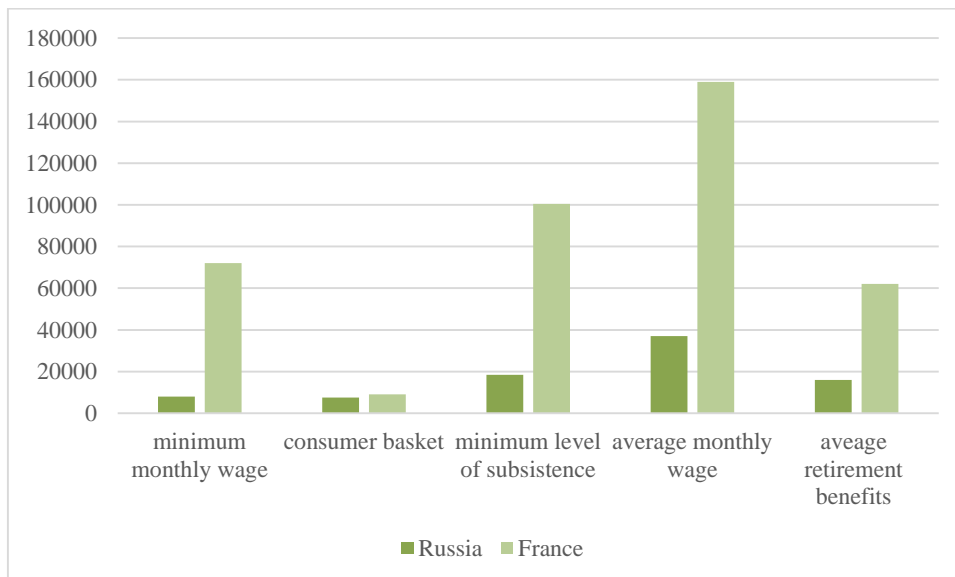

Fig. 1.   Key indicators of the living standards of Russia and France in 2017, Russian rubles

The main task of the state is to alleviate poverty and reduce the number of poor citizens [7–9, 13, 15]. Methodological approaches to identifying the poor in France and most other EU countries are fundamentally different from those adopted in Russia. The Russian methodology is characterized by: determining the composition and value of the consumer basket, guided by which, the minimum wage, benefits and poverty line are determined. On the contrary, the

French methodology provides for an annual review of the minimum wage and its adjustment depending on the price index. It is calculated on the basis of an extensive consumer basket, which includes groups of expenses on life support taking into account 507 prices and tariffs. In France, a living wage is considered to be less than 50 % of the median salary in the country. To do this, we study the price realities of the country, based on which, first, the minimum wage increases, then all other payments, and only after that it is determined who can be considered poor. In Russia, it is planned to reduce poverty in 2020 to 10 %, and by 2030 – less than 7 % [11].

The subject of wide discussion among experts was the dissatisfaction of respondents with the state of medicine, as indicated by 72 % of respondents. Here we can use the experience of leading European countries. For example, in Norway, with the support of the state, a high quality of medical care was achieved and the share of paid services (including medicines, outpatient and primary care) was significantly limited, the average salary of medical staff was 3.5 thousand Euros per month. In Austria, one of the most expensive countries in Europe, health care is also at a much higher level compared to Russia, despite the fact that prices for medical services are lower.

Summarizing the results of the study allows concluding that despite the rather difficult situation caused by unfavorable political situation in the world, the imposition of sanctions a number of states that are the reason of reducing of the investments in the social sphere, there are opportunities in Russia to improve the quality of living of the population. To do this, the following measures should be taken: reconstruction of old and launching of new industrial facilities (enterprises) and the related increase of jobs; development of domestic agriculture and rural areas; creating conditions for the development of small business as one of the sources of income of citizens and budget revenues; researches and monitoring of values of the standard of living of different population groups by regions of the country; leveling regional differences in quality of living [13]; reducing prices for essential necessities products by minimizing costs and using innovative technologies; improving medical care and bringing it to a level not lower than world standards; implementation of state support measures for social programs in the field of social protection of the population, increasing pensions and social benefits; targeted support to low-income groups of the population (persons belonging to the category of welfare beneficiaries); decrease in population differentiation by income level; poverty alleviation and coverage of the poor by state social programs; ensuring the access of Russian companies to investment sources, etc.

Taking into consideration the multimeaning nature of category "quality of living", the breadth of indicators and requirements, the difference between the needs and living standards of different categories of the population of Russia, the uneven life support of citizens of different regions of the country and a number of other features this study should not be considered completed. The dependency quality of living on factors influenced has not been established, which does not allow defining trustful forecast values. In addition, constant monitoring is required to identify deviations in the quality of living indicators and to compare them over time with countries with developed economies, which emphasizes the need for constant monitoring and continuation of the study.

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