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# STRATEGY FOR IMPROVING THE QUALITY OF LIFE IN COUNTRIES WITH ECONOMIES IN TRANSITION

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## ABSTRACT

*The relevance of the topic of the scientific article is to study the position of countries with transition economies that are members of the European Union in the quality of life ratings presented by leading international rating companies. The research should adhere to the principle that the higher the quality of life of the population, the more developed the country is. The purpose of the research article is to develop a strategy for improving the quality of life of the population in countries with economies in transition. Eurostat data, data from international rating organizations such as Numbeo and InterNations, as well as the method of determining the physical quality of life index of the population, developed by Morris David Morris, were used to study the quality of life in European Union countries. According to the results of the study, the quality of life in the member states of the European Union with transition economies is somewhat different from the general statistical indicators of the quality of life in the economically developed EU countries. The main directions of the strategy to improve the quality of life in countries with economies in transition must be: increase in employment due to the formation and implementation of the mechanism of regulation of employment both urban and rural areas, as well as on the international labour market (will lead to lower unemployment); increasing human capital as a result of eliminating gender inequality in the labor market; improving the safety and professional level of the population's health; solving the problem of migration, in particular refugees who illegally enter the*

*territory of the EU countries; increasing the level of social protection of the population in the framework of developing additional social assistance programs.*

**Keywords:** Quality of life, Happiness index, Physical quality of life index

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## 1. INTRODUCTION

An important criterion for assessing the level of economic development of a country is, of course, the quality of life of the population of this country. Research shows that the higher the quality of life of the population, the more developed the country is [1-3]. The quality of life is based on the concept of the level of satisfaction of the population with life, as well as the degree of satisfaction of their needs [4, 5]. Data from international rating companies indicate that countries with economies in transition are relatively low in the ratings presented among other economically developed countries in terms of the quality of life of the population [6].

Thus, the relevance of the topic of the scientific article is to study the position of countries with transition economies that are members of the European Union in the quality of life ratings. The article should also focus on improving the quality of life of the population in these countries, based on the fact that one of the priorities of the European Union is to improve the quality of life.

## 2. MATERIALS AND METHODS

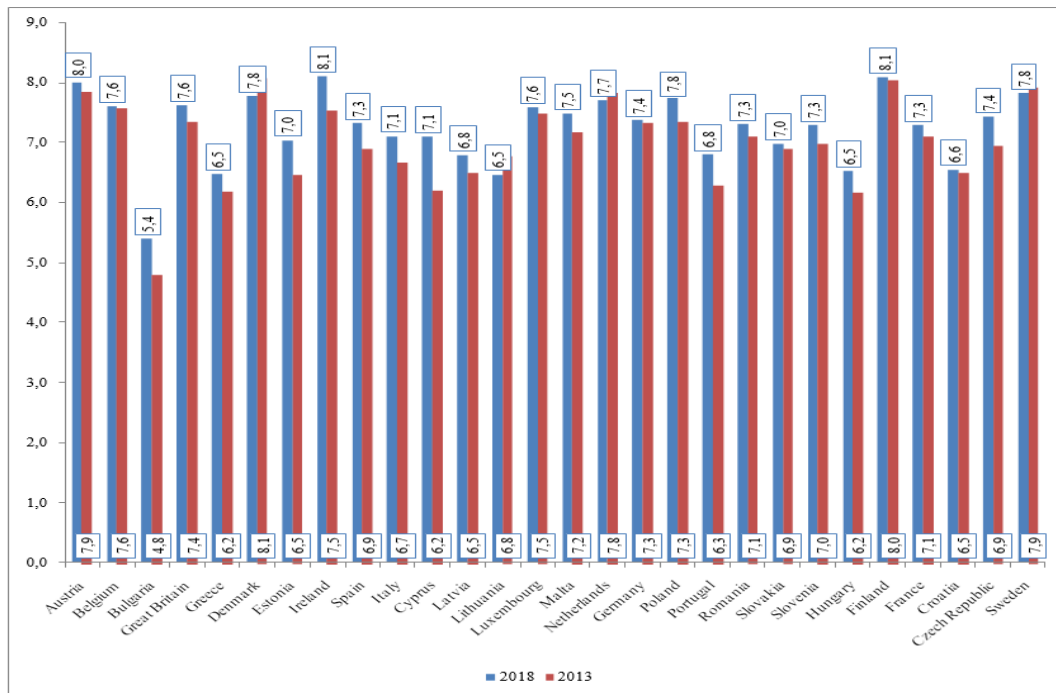
Data from Eurostat [7, 8], as well as data from international rating organizations such as Numbeo [9] and InterNations [10], were used to study the quality of life in the European Union. The method of determining the index of physical quality of life of the population, developed by David Morris Morris, was used.

First of all, it is advisable to analyze Eurostat data in the context of determining the quality of life of the population in the European Union countries, with special emphasis on the quality of life in countries with economies in transition.

Consequently, the quality of life of the European Union countries is assessed using the following indicators: 1) material living conditions; 2) activity; 3) health; 4) education; 5) leisure and social justice; 6) economic security and physical security; 7) governance; 8) natural and living conditions; 9) general life experience [7]

The results of processing a number of statistical data on life satisfaction of the population in the European Union countries made it possible to reflect the average rating of life satisfaction in the European Union countries (Fig. 1).

The lowest level of life satisfaction in 2018 among the countries of the European Union is present in Croatia, Hungary, Greece, Lithuania and Bulgaria. In contrast to these countries, the positions of Portugal and Cyprus, which were included in the list of five outsiders in 2013, have improved.



**Figure 1** Average life satisfaction rating in European Union countries in 2013 and 2018 [8]

The global rating company Numbeo offers to determine the quality of life index based on such indicators as: 1) cost of living; 2) purchasing power; 3) housing affordability; 4) environmental pollution; 5) crime rate; 6) quality of the health system; 7) traffic.

### 3. RESULTS AND DISCUSSION

Based on the above, the quality of life index calculated by Numbeo and, accordingly, the rating of the European Union countries was compared in accordance with the calculated indicators of the quality of life index (Table 1).

**Table 1** Quality of life index (Iyazh) according to Numbeo [9]

No.	Countries	2016		2017		2018		2019	
		Iyazh	Rank	Iyazh	Rank	Iyazh	Rank	Iyazh	Rank
1	Austria	192,4	4	190,37	1	190,22	5	191,05	4
2	Belgium	162,29	18	160,52	17	164,00	15	162,09	16
3	Bulgaria	141,61	23	138,20	26	129,69	26	130,59	29
4	Great Britain	180,25	11	172,87	10	171,89	12	170,81	13
5	Greece	165,43	17	148,32	21	137,43	24	137,82	27
6	Denmark	206,49	2	184,92	3	197,75	1	198,57	1
7	Estonia	-	-	171,09	12	176,44	8	180,88	9
8	Ireland	171,92	15	166,90	14	163,53	16	160,82	17
9	Spain	186,41	7	183,65	4	174,92	11	174,16	12
10	Italy	159,28	19	142,52	23	146,13	22	145,69	24
11	Cyprus	-	-	-	-	-	-	-	-
12	Latvia	-	-	-	-	-	-	149,15	22
13	Lithuania	134,33	26	130,28	28	148,98	20	156,36	20
14	Luxembourg	-	-	-	-	-	-	-	-
15	Malta	-	-	-	-	-	-	-	-
16	Netherlands	192,40	5	175,23	8	191,25	3	188,91	5

No.	Countries	2016		2017		2018		2019	
		Ivazh	Rank	Ivazh	Rank	Ivazh	Rank	Ivazh	Rank
17	Germany	199,70	3	189,74	2	190,04	6	187,05	7
18	Poland	153,61	20	150,21	20	146,58	21	147,98	23
19	Portugal	181,18	10	178,43	6	166,71	13	163,50	15
20	Romania	146,13	22	143,04	22	144,05	23	140,31	26
21	Slovakia	175,93	12	152,55	19	155,37	19	153,10	21
22	Slovenia	-	-	175,45	7	175,36	10	175,98	11
23	Hungary	140,74	24	138,82	25	132,31	25	134,47	28
24	Finland	184,01	9	182,93	5	195,30	2	194,01	3
25	France	173,56	13	160,25	18	166,22	14	157,83	19
26	Croatia	172,39	14	170,63	13	162,36	17	165,31	14
27	Czech	167,38	16	165,41	16	162,01	18	158,79	18
28	Sweden	185,81	8	172,74	11	176,81	7	178,67	10
29	Ukraine	85,56	29	87,49	31	95,96	30	102,34	34

Data processing (Table 1) showed that the leading countries in the ranking are countries such as Denmark, Finland, Austria, the Netherlands, Germany, Estonia and Sweden.

The results of a survey conducted by InterNations allowed us to rank the European Union countries by the quality of life index. Key national indicators such as: 1) leisure; 2) health and well-being; 3) safety; 4) personal happiness; 5) travel and transport; 6) digital life (Table 2).

**Table 2** Ranking of European Union countries on the quality of life index according to InterNations [10]

No.	Countries	2016 Rank (67 countries)	2017 Rank (65 countries)	2018 Rank (68 countries)	2019 Rank (64 countries)
1	Austria	2	7	5	6
2	Belgium	44	37	39	40
3	Bulgaria	-	-	35	31
4	Great Britain	34	-	45	48
5	Greece	46	42	41	38
6	Denmark	21	12	24	25
7	Estonia	-	-	21	14
8	Ireland	54	50	46	53
9	Spain	4	3	3	2
10	Italy	36	34	43	48
11	Cyprus	28	33	27	43
12	Latvia	-	-	-	-
13	Lithuania	-	-	-	-
14	Luxembourg	17	11	17	12
15	Malta	6	19	38	41
16	Netherlands	24	17	16	17
17	Germany	9	10	26	22
18	Poland	31	43	44	33
19	Portugal	14	1	2	1
20	Romania	48	44	40	-
21	Slovakia	-	-	-	-
22	Slovenia	-	-	-	-

No.	Countries	2016 Rank (67 countries)	2017 Rank (65 countries)	2018 Rank (68 countries)	2019 Rank (64 countries)
23	Hungary	20	28	29	19
24	Finland	19	16	7	8
25	France	15	21	19	18
26	Croatia	-	-	-	-
27	Czech Republic	7	5	6	7
28	Sweden	26	14	28	29
29	Ukraine	53	55	-	54

The analysis of the data (Table 2) made it possible to emphasize the priority of such countries of the European Union in terms of quality of life as Austria, Spain, Portugal and the Czech Republic. In 2018, countries such as Bulgaria, Estonia, Luxembourg, Poland and Hungary improved their ranking.

Ukraine ranked 54th in the European Union's Quality of Life Index according to InterNations in 2019.

Also, a special indicator that characterizes the quality of life of the population is the happiness index. The World Happiness Report calculated this indicator and grouped countries by them (Table 3).

**Table 3** Happiness index (Izh) according to the World Happiness Report [11]

No.	Countries	2017		2018		2019	
		Ish	Rank	Ish	Rank	Ish	Rank
1	Austria	7,006	13	7,139	12	7,246	10
2	Belgium	6,891	17	6,927	16	6,923	18
3	Bulgaria	4,714	105	4,933	100	5,011	97
4	Great Britain	6,714	19	7,190	11	7,054	15
5	Greece	5,227	87	5,358	79	5,287	82
6	Denmark	7,522	2	7,555	3	7,600	2
7	Estonia	5,611	66	5,739	63	5,893	55
8	Ireland	6,977	15	6,977	14	7,021	16
9	Spain	6,403	34	6,310	36	6,354	30
10	Italy	5,964	48	6,000	47	6,223	36
11	Cyprus	5,621	65	5,762	61	6,046	49
12	Latvia	5,850	54	5,933	53	5,940	53
13	Lithuania	5,902	52	5,952	50	6,149	42
14	Luxembourg	6,863	18	6,910	17	7,090	14
15	Malta	6,527	27	6,627	22	6,726	22
16	Netherlands	7,377	6	7,441	6	7,488	5
17	Germany	6,951	16	6,965	15	6,985	17
18	Poland	5,973	46	6,123	42	6,182	40
19	Portugal	5,195	89	5,410	77	5,693	66
20	Romania	5,825	57	5,945	50	6,070	48
21	Slovakia	6,098	40	6,173	39	6,198	38
22	Slovenia	5,758	62	5,948	51	6,118	44
23	Hungary	5,324	75	5,620	69	5,758	62
24	Finland	7,469	5	7,632	1	7,769	1
25	France	6,442	31	6,489	23	6,592	24

No.	Countries	2017		2018		2019	
		Ish	Rank	Ish	Rank	Ish	Rank
26	Croatia	5,293	77	5,321	82	5,432	75
27	Czech Republic	6,609	23	6,711	21	6,852	20
28	Sweden	7,284	10	7,314	9	7,343	7
29	Ukraine	4,096	132	4,103	138	4,332	133

Leading positions in the ranking on the happiness index during 2016-2018 were occupied by such countries as Denmark, the Netherlands, Finland and Sweden [12].

Ukraine's place in the ranking of the happiness index is on the 133rd line. With regard to quality of life rules, the Czech Republic has, for example, optimized, in accordance with the conditions of development, specific rules for maintaining a good quality of life, which are also targeted in other EU countries. In particular, it is [13]:

1. ensuring equality of citizens before the law as a result of creating a favorable legal environment;
2. development of cooperation between private and public spheres;
3. preservation of natural and cultural heritage, environmental protection;
4. reduction of morbidity due to pathology;
5. ensuring the proper development of civil society;
6. optimization of the work of territorial divisions of education, health and social security services;
7. provision of infrastructure development;
8. improving social policy instruments and more.

Studies have shown that it is possible to measure the quality of life of a population using the physical quality of life index [14-17]. This index is calculated using the average values of literacy, life expectancy and infant mortality.

The physical quality of life index of a population is defined as the arithmetic mean of the literacy rate of the population, life expectancy (to be translated into points), and infant mortality rate (data also translated into scores) [18].

Based on Eurostat statistics, the physical quality of life index was calculated (Table 4).

**Table 4** Physical quality of life index (Iphn)

No.	Countries	2017		2018	
		Iphn	Rank	Iphn	Rank
1	Austria	46,3	15	46,3	15
2	Belgium	44,6	11	44,7	11
3	Bulgaria	60,5	27	60,3	27
4	Great Britain	47,1	17	47,1	17
5	Greece	46,3	14	46,3	14
6	Denmark	46,7	16	46,6	16
7	Estonia	42,2	6	41,9	6
8	Ireland	42,4	7	42,5	7
9	Spain	37,1	2	37,2	2
10	Italy	43,0	9	43,0	9
11	Cyprus	35,7	1	35,7	1
12	Latvia	51,1	22	51,1	22
13	Lithuania	46,2	13	45,9	13

No.	Countries	2017		2018	
		Iphn	Rank	Iphn	Rank
14	Luxembourg	42,4	8	42,0	8
15	Malta	56,0	25	56,1	25
16	Netherlands	46,0	12	45,9	12
17	Germany	49,3	19	49,2	19
18	Poland	53,0	24	52,8	24
19	Portugal	37,3	3	37,7	3
20	Romania	63,0	28	63,2	28
21	Slovakia	56,5	26	56,3	26
22	Slovenia	44,1	10	44,1	10
23	Hungary	49,9	20	50,0	20
24	Finland	40,6	4	40,6	4
25	France	48,1	18	48,0	18
26	Croatia	53,0	23	52,9	23
27	Czech Republic	50,1	21	50,0	21
28	Sweden	41,7	5	41,4	5

**Source:** calculated based on [7]

Calculations of the physical quality of life index indicate that countries such as Cyprus, Spain, Portugal, Finland and Sweden have the leading position in the rating of the physical quality of life index of the population.

#### 4. CONCLUSION

Improving the quality of life of the population of the countries is a key task of each country. The study of the main trends in the quality of life of the population of the EU countries found that the quality of life in the EU Member States with economies in transition is somewhat different from the general statistical indicators of the quality of life in economically developed EU countries. Therefore, the Council of the European Union should develop and implement an appropriate strategy in order to improve the quality of life of the population in countries with economies in transition. Based on the results of the "Europe 2020 Strategy", the main directions of the strategy for improving the quality of life in countries with economies in transition should be:

1. increasing in the level of employment of the population due to the formation and implementation of a mechanism for regulating employment in both urban and rural areas, as well as in the international labor market (will lead to a decrease in the unemployment rate);
2. increasing of human capital due to elimination of gender inequality in the labor market;
3. improving safety and professional health of the population;
4. solving the problem of migration, in particular refugees who enter the territory of EU countries illegally;
5. increasing the level of social protection of the population as part of the development of additional social assistance programs.

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