

УДК 330.59(100)

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РАЗЛИЧИЯ В УРОВНЕ ЖИЗНИ МЕЖДУ СТРАНАМИ

Аннотация: в данной статье описывается уровень жизни в разных странах. Также рассматриваются факторы и основные показатели уровня жизни.

Ключевые слова: уровень жизни, уровень доходов, уровень занятости, ВВП, ИЧР.

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THE DIFFERENCES IN STANDARD OF LIVING AMONG COUNTRIES

Abstract: the following report outlines the standard of living that different countries have and why it differs from country to country. Further the factors and basic measures of standard of living are discussed in detail as well.

Keywords: standard of living, income rates, employment rates, GDP, HDI

The term standard of living refers to the amount of income, needs and wants and other such goods that are available to a specific population of people [1]. This is simply a metric system which shows the amount of goods that are produced and sold within a specific geographical region; such as a province, a state or even a country. Standard of living is not to be confused with quality of life. This is because quality of life refers to

the non-material factors that are not taken into consideration in the standard of living. This would include things like satisfaction, relationships, personal liberty, etc.

The standard of living varies from one country or region to another. This is because the income rates, employment rates, per capita GDP and other such factors will vary from country to country.

There are many factors that are more commonly associated with standard of living. Most common factors are income, employment opportunities, poverty rate, inflation rate, life expectancy. Other factors would be [2]:

- Class disparity: refers to the social inequality that a country could have based on how rich or poor a person is.
- Poverty rate: the rate at which many people are left without
- Gross Domestic Product (GDP): is the amount of goods and services that are produced within a country and its borders.
- Quality and affordability of housing:
- Infrastructure: is how developed and modern the infrastructure in the country is, as it could attract foreign investors to the country.
- National economic growth: this refers to the increase in the number of goods and services produced for the population of a country.
- Incidence of disease: is how often diseases occur and what kind of harmful diseases are there in the region.
- Healthcare: whether the healthcare is affordable and is quality.
- Education: whether the education is of quality and is affordable to all citizens.
- Political and religious freedom: is when people have the right to an opinion on whatever political party and religion without judgement.
- Environmental quality: this refers to how well the environment is taken care of and how much pollution there is.
- Safety: this refers to how much criminal activities take place in the region like robberies, assaults, etc.

In order to measure the Standard of Living in a country there can be many ways however, most accurately there are mainly two ways that a country can measure their standard of living.

Gross Domestic Product (GDP)

Gross domestic product refers to the total value of goods and services produced by a country within its borders in a year [3]. This means that it is a sum up of the value of all the goods and services that were made by the country. Thus, meaning that this method looks into the idea that the country with the highest income has a higher standard of living, or in other words the happiness of life will equal more money.

Although this is one of the main methods used to measure the standard of living, it has many downfalls. This is because GDP does not take into account all of the productive activity, like workers who got laid off or unpaid workers, and even factors like the wealth distribution are not included in the GDP. Which further strengthens the idea that GDP is not exactly a good measure of the standard of living in countries.

However, as it is easy to calculate and compare with other nations or countries it is a widely used method.

Table 1 - Countries with the highest GDP per capita according to Purchasing Power Parity (PPP) valuation as per 2022 [4]

Ranking	Country	GDP per capita
1	Luxembourg	141,587
2	Singapore	131,426
3	Ireland	131,034
4	Qatar	113,675
5	Switzerland	84,469
6	Norway	78,128
7	United Arab Emirates	77,272
8	United States	75,180
9	Brunei Darussalam	74,196
10	San Marino	72,070

Human Development Index (HDI)

The Human Development Index (HDI) takes into account the wellbeing of people as well as the economy of the country as well [3]. This method of determining the standard of living can be viewed as a very good indicator as it includes the income, education and the health (life expectancy) of the people of the country.

The HDI takes a good range of factors into consideration when calculating it. But this method fails to take into account the factors like safety and inequality, thus meaning that this method lacks some factors that need to be considered.

As the above two methods show the rankings differ from one another, which further proves the idea that the GDP and the HDI looks into two different areas in the standard of living. Therefore, to get an accurate idea of the country that has the highest standard of living, a comparison between the GDP ranking as well as the HDI rankings need to be made.

For example, the countries Switzerland, Norway and Ireland are there in the top ten rankings in both the measures. Thus, meaning that their standard of living must be high as in both the aspect of income as well as education, health and wellbeing, they are ranking in a top position.

In conclusion it can be viewed that the standard of living from one country will differ to that of the next. This would be due to the various factors mentioned in the above report. Further it can be understood that the two different types of measurement of Standard of Living derives two answers as to which country has the highest Standard of living. Therefore, all the countries in the world have a lot of improving to do in order to increase their standard of living.

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