

THE ISSUE OF IMPROVING THE QUALITY OF LIFE OF THE POPULATION IN NEW UZBEKISTAN

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Abstract: This article covers the difference between the incomes of the population among countries, the quality of life of the population, and the human development index. Human development can be understood as the process by which a country improves the living conditions of its citizens. Human development does not mean only economic growth, but it is the process of "expanding people's" opportunities" such as: living a long and healthy life, getting education, enjoying a decent standard of living.

Keywords: Human Development Concept, Human Development Index, life expectancy, literacy rate, gross national income per capita.

Introduction

It is known that today the wealth of any country is determined not by its natural resources, but by the nation living in that country, that is, its people. That is, a country that has created comprehensive opportunities for its citizens will be prosperous due to the development of human resources in all aspects. Because human development can be understood as the process by which a country improves the living conditions of its citizens. Human development does not mean only economic growth, but it is the process of "expanding people's opportunities" such as: living a long and healthy life, getting education, enjoying a decent standard of living. For this reason, it is appropriate to look at people not as a tool, but as the main goal of achieving the socio-economic development of the country. That is why the concept of human development puts forward the idea that "the real wealth of a country is its people."

Determining people's standard of living and quality of life is very complicated, it cannot be expressed only in terms of population income, i.e. money supply. To do this, it is necessary to take into account a number of indicators that affect the quality of life of people. The Human Development Index (HDI) developed by the United Nations Development Program (UNDP) expresses the standard of living of people and shows whether a country is developed, developing or underdeveloped, life expectancy, education, literacy, gross domestic product per capita, etc. based on factors. This index is used as a way to measure real progress in human development.

Literature review

There should be a parameter which can assess growth. Students are measured their performance every year through exams and they are given their performance report assessing their written content in exams. This is to track the growth and filling the gaps or loopholes and correcting mistakes and

try to develop further. A nation is also in the same approach, needs to be assessed and track its growth and perform well in coming days through better ideas providing welfare to its people. Nations have chalked out plans and come to take national overall production per year as a measure to calculate the performance. As the time goes on, Gross Domestic Product (GDP) could not satisfy the proper assessment and ignored completely welfare of the humanity and turned towards economic growth. The economists have gathered and prepared a measurement to upgrade the present system and Human Development Index was born. This system of calculation is not an ultimate measurement but a better index to assess the nation's performance.

United Nations Development Programme reports consist of these human development reports. Pakistani economist Mahbub ul Haq prepared it with the help of various economists. Nobel Laureate Amartya Sen of India had also prominent role in preparing of Human Development Index (HDI). These reports are seen from 1990 in UNDP reports. (Chakravarthi, 2011)

The World Bank's 2016 World Development Indicators data-base contains estimates of GNI per capita in constant 2011 purchasing power parity (PPP) terms for many countries. For countries missing this indicator (entirely or partly), the Human Development Report Office calculates it by converting GNI per capita from current to constant terms using two steps. First, the value of GNI per capita in current terms is converted into PPP terms for the base year (2011). Second, a time series of GNI per capita in constant 2011 PPP terms is constructed by applying the real growth rates to the GNI per capita in PPP terms for the base year. The real growth rate is implied by the ratio of the nominal growth of current GNI per capita in local currency terms to the GDP deflator. To obtain the income value for 2016 for some countries, the International Monetary Fund (IMF)-projected real growth rates of GDP are applied to the most recent GNI values in constant PPP terms. The IMF-projected real growth rates are calculated based on local currency terms and constant prices rather than in PPP terms. This avoids mixing the effects of the PPP conversion with those of real growth of the economy.

For a small number of countries missing one of the four indicators, the Human Development Report Office estimated the missing values using cross-country regression models. The details of the models used are available at <http://hdr.undp.org>. In this Report expected years of schooling were estimated for the Bahamas, Bahrain, Dominica, Equatorial Guinea, the Federated States of Micronesia, Fiji, Haiti, Iraq, Papua New Guinea and the United Arab Emirates, and mean years of schooling were estimated for Antigua and Barbuda, Cabo Verde, Eritrea, Grenada, Guinea-Bissau, Kiribati, Palau, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Seychelles and Turkmenistan.

Research methodology

According to the 2020 Human Development Report of the UNDP, the Human Development Index has a category called "High level of human development", in which countries at the top can be considered developed countries. According to it, the countries with the highest index of human development are Norway (0.957), Ireland (0.955) and Switzerland (0.955) (Table 1).

Table 1
Top 10 countries according to Human Development Index⁸

No	Countries	HDI (2020)	Life expectancy at birth (years)	Expected years of schooling (years)	Mean years of schooling (years)	Gross national income per capita (PPP \$)
1.	Norway	0,957	82,4	18,1	12,9	66,494
2.	Ireland	0,955	82,3	18,7	12,7	68,371
3.	Switzerland	0,955	83,8	16,3	13,4	69,394
4.	Hong Kong (China)	0,949	84,9	16,9	12,3	62,985
5.	Iceland	0,949	83,0	19,1	12,8	54,682
6.	Germany	0,947	81,3	17	14,2	55,314
7.	Sweden	0,945	82,8	19,5	12,5	54,508
8.	Australia	0,944	83,4	22	12,7	48,085
9.	The Netherlands	0,944	82,3	18,5	12,4	57,707
10.	Denmark	0,94	80,9	18,9	12,6	58,662

In today's world, the Human Development Index looks at three key areas to measure a country's human development achievements and results. The first is life expectancy, which refers to whether a country has adequate health services to ensure a long and healthy life, or vice versa.

The second dimension measured in the Human Development Index is the level of literacy of people. This is measured by indicators of adult literacy (primary, secondary, tertiary, etc.) and duration of compulsory education.

The third criteria is the standard of living, that is, the income of the country's population. This measure is measured by GDP per capita at purchasing power parity in US dollars.

First of all, when information is available for each country according to the United Nations Development Program, measurement indicators

⁸ The table was compiled based on data from the site <http://hdr.undp.org/en/content/latest-human-development-index-ranking>

(minimum and maximum) should be developed based on it. According to the standard, each country can receive the following points for three indicators (Table 2):

Table 2

Creating the dimension indices

Dimension	Indicator	Minimum	Maximum
Health	Life expectancy (years)	20	85
Education	Expected years of schooling (years)	0	18
	Mean years of schooling (years)	0	15
Standard of living	Gross national income per capita (PPP \$)	100	75000

Minimum and maximum values (goalposts) are set in order to transform the indicators expressed in different units into indices on a scale of 0 to 1. These goalposts act as the “natural zeros” and “aspirational targets,” respectively, from which component indicators are standardized. The justification for placing the natural zero for life expectancy at 20 years is based on historical evidence that no country in the 20th century had a life expectancy of less than 20 years (Maddison 2010; Oeppen and Vaupel 2002; Riley 2005). Societies can subsist without formal education, justifying the education minimum of 0 years. The maximum for expected years of schooling, 18, is equivalent to achieving a master’s degree in most countries. The maximum for mean years of schooling, 15, is the projected maximum of this indicator for 2025. The low minimum value for gross national income (GNI) per capita, \$100, is justified by the considerable amount of unmeasured subsistence and nonmarket production in economies close to the minimum, which is not captured in the official data. The maximum is set at \$75,000 per capita. Kahneman and Deaton (2010) have shown that there is virtually no gain in human development and well-being from income per capita above \$75,000. Currently, only four countries (Kuwait, Liechtenstein, Qatar and Singapore) exceed the \$75,000 income per capita ceiling. Having defined the minimum and maximum values, the dimension indices are calculated as:

$$Dimension_{index} = \frac{Actual_{value} - Minimum_{value}}{Maximum_{value} - Minimum_{value}}$$

For the education dimension, equation 1 is first applied to each of the two indicators, and then the arithmetic mean of the two resulting indices is taken. Because each dimension index is a proxy for capabilities in the

corresponding dimension, the transformation function from income to capabilities is likely to be concave (Anand and Sen 2000) – that is, each additional dollar of income has a smaller effect on expanding capabilities. Thus for income the natural logarithm of the actual, minimum and maximum values is used.

The HDI is the geometric mean of the three dimension indices:

$$HDI = \frac{(I_{Health} \cdot I_{Education} \cdot I_{Income})}{3}$$

Results and analysis

We calculate this index based on the information of the State Statistics Committee of Uzbekistan and its level in our country using the following formula:

Table 3
Indicators of human development index in Uzbekistan, 2020

Indicator	Value
Life expectancy at birth (years) ⁹	73,4
Expected years of schooling (years) ¹⁰	13,4
Mean years of schooling (years) ¹¹	12,6
Gross national income per capita (PPP \$) ¹²	1003,49

We calculate the measurement indicators according to the three criteria mentioned above:

$$\text{Health index} = \frac{73,4 - 20}{85 - 20} \approx 0,82$$

$$\text{Expected years of schooling index} = \frac{13,4 - 0}{18 - 0} \approx 0,74$$

$$\text{Mean years of schooling index} = \frac{12,6 - 0}{15 - 0} \approx 0,84$$

$$\text{Education index} = \frac{0,74 + 0,84}{2} \approx 0,79$$

$$\text{Income index} = \frac{\lg 1003,49 - \lg 100}{\lg 75000 - \lg 100} \approx 0,35$$

$$HDI = \frac{(0,82 + 0,79 + 0,35)}{3} \approx 0,65$$

⁹ <https://www.stat.uz/uz/rasmiy-statistika/demography-2>

¹⁰ <file:///C:/Users/%D0%9E%D0%BB%D0%BC%D0%BE%D1%81/Downloads/Kutilyotgan%20talim%20davomiyligi.pdf>

¹¹ <file:///C:/Users/%D0%9E%D0%BB%D0%BC%D0%BE%D1%81/Downloads/Aholining%20o'rtacha%20talim%20davomiyligi%2025%20yosh%20va%20undan%20kattalar.pdf>

¹² <https://www.stat.uz/uz/rasmiy-statistika/living-standards-2>

So, it can be seen from the above calculations that in 2020, the index of human development in Uzbekistan was 0.65.

Table 4

The rating is given according to the index indicator of the countries

Indicators	Value
Very high human development	0,80 and above
High human development	0,70-0,79
Medium human development	0,55-0,69
Low human development	Below 0,55

The value of the human development index is between 0 and 1, and the closer it is to 1, the higher the quality of life of the population according to the specified criteria, and the closer it is to 0, the lower the level of development in the country (Figure 1).

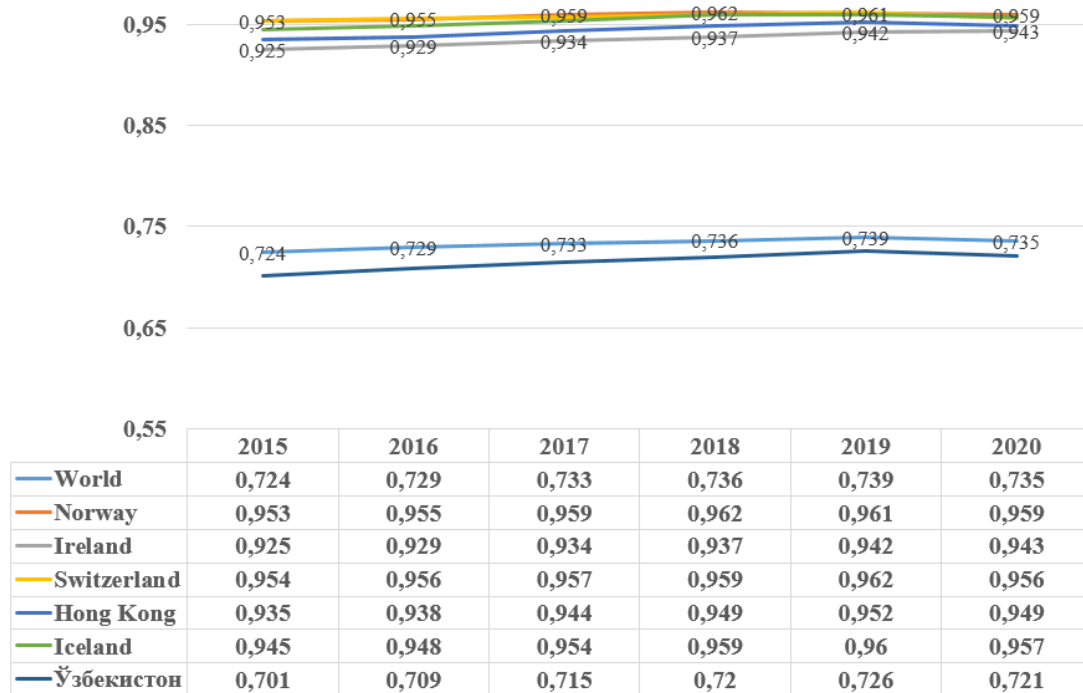


Figure 1. Growth dynamics of HDI between countries

According to the calculated results, the quality of life of people in Uzbekistan was assessed as average. In order to improve this indicator in our country and reach a high and very high level of human development, we must create an environment in which the human rights of every citizen living in the country are respected, ensure that they receive quality education and live a decent life, that is, achieve a high level of freedom, use excellent and quality medical services, and measures should be taken to ensure that they have sufficient income.

Conclusion

In short, the Human Development Index is an economic indicator used by the UN to determine the quality of life of people in different countries. But it should not be confused with the standard of living of the population, because this index does not only represent the level of financial security of people, but also considers it as an influencing factor. The concept of "quality of life" includes non-material aspects of life and represents people's satisfaction with material wealth, spiritual development and comfortable living.

However, the human development index is also not free from shortcomings and it cannot fully cover all aspects affecting the quality of life of people. It does not take into account variables that may reflect different situations in a country, regardless of how well it represents the education, health and wealth system. For example, if a country with a Human Development Index equal to 1 suddenly faces a sharp decline in GDP and a lack of income and even hunger among people, the Human Development Index does not immediately reflect this, the index shows a high level due to other indicators in its composition. Because life expectancy is a gradually decreasing indicator. Thus, the Human Development Index is an indicator of how developed society is in the long term.

The next problem is that the difference between these numbers is not reflected. For example, half of the population of a country will live 80 years, and the other half will live 20 years. In fact, half of the population lives four times longer than the other half. But the average life expectancy turns out to be 50 years.

Also, another shortcoming is the indicator in the field of education. According to him, the more years of education people have, the higher the level of literacy, but this does not represent the quality of education.

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