

- to generate a qualitatively new mental culture of society, which presupposes not declarative, but the real equality of both social articles in general and the labor market in particular;
- to establish a network system of constant gender monitoring of problems of inequality in the labor market through employment centers;
- to ensure in the employment centers implementation of the principle of targeting women in the labor market by developing and implementing special programs of employment, vocational guidance and vocational training, introduction of new socially focused technologies of work with people.

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## HUMAN DEVELOPMENT INDEX IN UKRAINE: CULTURAL DIMENSION

**Abstract.** *This paper examines the human development index and describes the key indicators. The author highlights the indicators of Ukraine and highlights the impact of cultural variables on HDI.*

**Key words:** *human capital, human resources, human development index, gender development index, inequality-adjusted human development index, multidimensional poverty index, gender inequality index.*

**Анотація.** *У статті розглянуто індекс людського розвитку та його ключові показники. Аналізуються показники України та вплив культурних факторів на стан розвитку людського потенціалу в Україні.*

**Ключові слова:** *людський капітал, людські ресурси, індекс людського розвитку, індекс гендерного розвитку, індекс людського розвитку, соціально-економічна нерівність, індекс багатомірної бідності, індекс гендерної нерівності.*

**Introduction.** In modern society, the role of man as a basic element of productive forces is significantly increased. Theory of Knowledge Economy, considers that the development of world's economies depends on human development, is becoming increasingly popular. To study the theoretical and practical issues of human development, most scientists use in their research such indicator as the index of human development.

**Key findings.** The HDI is conceived as a multi-dimensional index of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and having a decent standard of living. According to UNDP (1990), the HDI has two sides: one has to do with the formation of human capabilities such as improved health, knowledge and skills, and the other is related to the use that people make of their acquired capabilities for productive purposes of being active in cultural, social and political affairs [4].

Before the human development index appeared, there were many attempts to measure of human well-being (Living index, Development index, Physical Quality of Life Index, etc.). The Human Development Index has been developed by Mahbub ul Haq's «human development» project of the UNDP [7]. After its creation, the index continued to evolve, changing the definition of the concept of human development and some of its components (Figure 1).

Dimensions mentioned in HDR by year	90	91	92	93	94	95	96	97	98	99	00	01	02	03	04	05	07	09
Long healthy life	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Knowledge	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Resources for decent std of life	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Political freedom	X	X						X							X			X
Guaranteed Human Rts	X					X		X		X	X							
Self Respect	X					X		X		X	X							
Good physical environment		X	X		X													
Freedom of Action & Expression			X															
Participation				X	X								X					
Human Security					X		X											
Political, Social & Econ Freedoms						X		X	X	X								
Being creative						X		X	X	X	X							
Being Productive						X		X	X	X	X							
Freedom							X	X										
Democracy							X											
Dignity & Respect of others								X										
Empowerment									X		X							
A sense of belonging to a community									X	X	X							
Security											X							X
Sustainability											X							
Enjoying political and civil freedoms to participate in the life of one's community.														X				
Cultural liberty															X			
Social & Political Participation																X		
Civil & Political Rights																	X	

Figure 1. Source [3]

As we may note, the components of HDI coincide with the characteristics of cultural variables described by the founders of cross-cultural analysis methodology — G. Hofstede, E. Hall, H. Triandis and F. Trompenaars.

Since 2010, technology research has transformed a little and now the basis of the index of human development consist of three indicators:

- average life expectancy, which estimates longevity;
- the level of literacy of the population of the country (the average number of years spent on education) and the expected duration of training;
- standard of living, estimated through per capita GNI per purchasing power parity (PPP) in US dollars.

*Human Development Index in Ukraine.* Consequently, as noted above, the report on the Human Development Index dates back to 1990, since Ukraine has kept its position in a group of countries with a high level of human development, although in recent years our country’s position has been shrinking. Comparing the Ukraine’s figures with the world average it is possible to notice that the country has higher indicators according to the index of human development, the Gender Development Index and the Inequality-adjusted Human Development Index (Figure 2).



**Figure 2.** Sources [1; 6]

The graph also shows that there is no sphere in which the results of Ukraine would be worsened as much as the GNI indicator, now gross national income is lower than in the early 1990’s. In spite of this, during the period from 1990 to 2015, the overall value of HDI in Ukraine increased by 5,2%. This was achieved by the fact that during the period of 1990–2015 the life expectancy at birth increased by 1,3 years, the expected duration of study — by 2,9 years, the average number of years of study — by 2,2 years and university education covers 2/3 of the student’s age [1].

Although the average annual growth rate of HDI for the period 1990–2015 was 0.21, each year the country lost its position in the ranking (in 1990 — 46th place, in 2015 — 84) [8].

Of course there were the years when the country was somewhat taken up the stairs, the last time was in 2014. Such a trend of index growth and loss of positions in the rating indicates that other countries are developing faster than Ukraine. Currently, the closest neighbors in the ranking are countries such as Macedonia, Algeria, Armenia, Jordan, Peru and Thailand. While our former neighbors to the USSR, such as Russia and Belarus, occupy 49 and 52 positions respectively. The report for 2016 notes that the rating of Ukraine corresponds to the level of Armenia and is an indicator above the average for countries with a high level of human development and below the average for the countries of Europe and Central Asia.

The document also indicates the Gender Development Index, based on the Human Development Index separately for men and women and shows the level of gender inequality in the country. The gender development index of Ukraine was 1, which indicates the almost equal rights of women and men in terms of health, education and disposal of economic resources. At the same time, according to the Gender Inequality Index, Ukraine ranks 55th out of 159 countries. This index determines the inequality of men and women in terms of reproductive health, opportunities and economic activity. It should be noted that in comparison with European countries, there are very few female politicians in Ukraine, and there is some discrimination in recruitment, for example, a young woman without children faces difficulties to find a job in comparison with a man with the same educational level. The high rate of the first index is due to the fact that Ukraine has a low level of masculinity (27 points). It cannot be said that in country a purely feminine society, as the second of the listed indicators shows that discrimination is present in our country.

Although it has been noted above that there has been a certain increase in the expected life expectancy, this indicator affects the general index negatively. According to this indicator, Ukraine ranks 111 out of 188 sample countries (71.1 years). The prevalence of «healthy» habits is very low. As a result, in 2015 42.4% of the population (on average in the EU countries — 32%) had at least one chronic disease. At the same time, the unreformed health system is not capable of combating high mortality and requires comprehensive reforms. This situation can also be attributed to the fact that Ukraine has 55 points in the long-term orientation, so people are not used to looking into the future and therefore few people think about how bad habits affect their health.

The index of multidimensional poverty is the most significant indicator of the living standard of a person. To define it, we should take into account not only the income and expenses, but also education, medicine and other factors. In Ukraine, 6.4% of people live in multi-dimensional poverty and every year the situation worsens. Some say that this is more related to the military actions that have begun in the east; some believe that this dynamics is triggered by inefficient reforms in the country. In some way, the low level of indulgence (18 points) affects the current situation a lot. People are used to tolerating and living below the poverty line and not demanding the government help to improve their living standards.

In order to improve the position of Ukraine in the researched indicator, several reforms are suggested. The first need is to increase the GNI per capita, since even foreign scientists worry about the situation, which tends to deteriorate. To do this, Ukraine's innovation appeal needs to be increased as well, which, in its turn, requires other reforms, such as overcoming corruption, removing business from «shadow», etc. This will not only increase the level of GNI, but also reduce poverty and create new jobs. The second need is to reduce mortality among people of the working age and modernize working conditions. Additionally, the reform of the health care system can increase the life expectancy. When these three indicators are improved, the educational and socio-cultural components of human development can be improved as well.

**Conclusion.** Human capital is an important resource for economic development, so we need tools that will allow us to assess its development and identify the weaknesses and strengths for further improvement. Such an instrument can be the index of human development, which is high in Ukraine. The current HDI is heavily influenced by a number of social and cultural factors. For example, collectivism of our society ensures the high level of education, as it is a widely accepted norm to receive higher education immediately after school. Moreover, the majority of Ukrainian bachelors strive for attaining a master's degree immediately after the graduation, which they consider an indispensable symbol of numerous privileges and better status in the future.

The femininity of our culture has a further positive impact as it ensures a certain gender equality, which the Ukrainian women enjoy. On the other hand, the low level of indulgence prevents the population from demanding improvement of national standards of living as Ukrainians are used to tolerating, which, in its turn affects the multidimensional poverty index negatively. The high level of power distance and uncertainty avoidance interfere with the introduction of reforms aimed to improve the country's economy. The uncertain attitude to time also does not play on hand for Ukrainians, because the society is not used to thinking about the future consequences and plan for the long term.

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## CONSUMPTION IN UKRAINE: CULTURAL ASPECT

*Анотація.* У статті досліджується культура споживання і витрат українців на прикладі однієї середньостатистичної української сім'ї через економічний аналіз їх щомісячних витрат.

*Ключові слова:* середня заробітна плата, уряд, інфляція, споживання, культура, бідність.

*Abstract.* This paper explores consumption and spending of money in different spheres on the example of an average Ukrainian family. The impact of cultural aspects is emphasized.

*Key words:* average wages, government, inflation, consumption, cultural variables, indulgence.

**Introduction.** Consumption is a social and cultural process involving cultural signs and symbols beyond an economic, utilitarian process. Culture defined as a «learned, transmitted, and shared phenomenon» is one of the most important factors affecting consumers' attitudes, behaviors and lifestyles.

Each individual gets exposed a large number of thoughts, values, norms, and cultures and thus learns to differentiate between the good and the bad ones, thereby choosing a certain belief system that keeps on changing with more and more experience.

In the most general sense, consumption means satisfying needs. As it is, the concept of needs must be defined. A need seems compulsory for existence because when a need is fulfilled it provides pleasure, and otherwise it gives pain.

In the light of globalization consumers in almost every corner of the globe are increasingly able to eat the same foods, listen to same music, wear the same fashions, watch the same television programs and films, drive the same cars, dine in the same restaurants and stay in the same hotels. The rise of a global culture does not mean that consumers share the same tastes or values. Rather, people in different nations, often with conflicting viewpoints, participate in a shared conversation, drawing upon shared symbols. One of the key symbols, in that conversation is the global brand [1].

The culture of consumption includes the following aspects:

1. The pervasive and rapid circulation of commercial products, that is, things produced for exchange within a capitalist market, takes priority over and above things redistributed by governmental through the welfare state or exchanged among social groups through gift giving.

2. The relative independence of consumption activities from those related to production and the growing power and authority this gives to some consumers over market dynamics.