MEASURING SOCIAL PROGRESS IN THE CONTEXT OF VALUING THE RIGHT TO A STANDARD OF LIVING

Angela Bogus

Academy of Economic Studies of Moldova, 61, Banulescu-Bodoni str., Chisinau, MD-2005, Moldova

Abstract

The current article highlights the growing interest in recent decades in identifying the most appropriate indicators for measuring the social progress of societies. Different researches carried out over time in the context of measuring the performance of companies reflect a wide variety of indicators used to determine the progress made. For various reasons, evaluating the results and comparing them between different societies is a not-so-easy task. Due to the complexity of the concepts of social progress and standard of living, their expression can be done not only by a single indicator, but by a system of indicators. Moreover, each of the indicators developed has certain disadvantages, which reduces the relevance of the results obtained. The establishment of genuine indicators ultimately offers the possibility of identifying more precisely the social progress made by societies and identifying the best performing one.

Keywords: *standard of living, indicators of the standard of living, economic performance, social progress, the right to a standard of living*

INTRODUCTION

The ideal of the free human being, freed from fear and misery, according to the Universal Declaration of Human Rights, can only be achieved if conditions are created that allow everyone to enjoy all his rights: economic, social and cultural, civil and political rights, along with the rights of collective development - there are three major human rights groups which are also important for human living.

Ensuring a decent standard of living for every citizen and his family is an imperative of the contemporary state, based on respect for human rights and freedoms. The Universal Declaration of Human Rights establishes: "everyone has the right to a standard of living which ensures the health and well-being of himself and his family, including food, clothing, housing, medical care, as well as the necessary social services; he shall be entitled to insurance in the event of unemployment, sickness, invalidity, widowhood, old age or other cases of loss of means of subsistence as a result of circumstances beyond his control'. Common to the Declaration in question and other international normative acts and national constitutional norms include provisions that refer to the human right to a decent living.

Decent living is impossible without the free development of personality, without benefiting from the achievements of society, culture, without possessing a profession, without access to quality services. Even so, we find that the standard of living can vary considerably from one state to another, the citizens of some countries benefiting from a very high standard of living, while for the citizens of other states this remains only a dream almost impossible to achieve. Moreover, even within the same state, from one period to another, there are major differences in the standard of living. Most of the times, the differences are motivated by the existence of situational factors: the level of development of the society, the resources available to the state in order to achieve this objective, the way of organizing the society, the degree of culture and civilization, the priority objectives of the governors, etc.

The progress made by a modern society depends not only on the economic performance achieved but, in particular, on how the accumulated national wealth is distributed in accordance with the interest and expectations of its citizens. The favorable conditions that the authorities create for them, access to the best public services seem to be the key to success. As people's needs are met, people are satisfied and consider themselves happy. The evaluations carried out over time reflect that societies with a high degree of democracy show a major interest in the importance of public services of general interest, which contribute decisively to the increase of the living standards of the population.

In this context, the efforts of specialists, as well as those of the governors, are directed towards assessing the progress and performances that societies are making in order to be able to counter them to the standard of living and well-being of the people. The discerning of an indicator that would allow to assess more accurately the progress and social well-being of the people proved to be a rather difficult task to achieve, a total agreement, in this regard, not being achieved.

Starting from these findings, the present paper aims to analyze the indicators used to assess the prosperity of societies and people's standard of living. Over time, various specialists and world organizations have made multiple efforts to elaborate measurements of the social progress made by the states of the world in order to have an ample picture of people's livelihood and well-being, as well as of the conditions that lead to their higher living standards. Practically for each of the elaborated indicators, some shortcomings were identified, which is why specialists from different fields of science were subjected to criticism from the arts.

1. MATERIALS AND METHODS USED.

From the theoretical-scientific point of view, the research was carried out in the context of the complex and systemic approach of the indicators underlying the analysis of the social progress made by various societies. Knowledge and analysis of social progress requires the calculation of synthesis indicators that express the standard of living of the population and the comparison of these indicators at global level. The expression of social progress cannot be done by a single indicator, but by a system of indicators that, as a whole, would allow a more correct assessment of human living. The informational basis of the investigations is represented by the reports elaborated by various experts and international bodies that reflect the issue of social progress and the living standards of the population.

Taking into account the complexity of the research topic, multiple scientific methods of study were used for its realization: *quantitative analysis of documents*, research of existing studies and documents, collection of relevant statistical data; *the analytical method*, by means of which the essence of the investigated problem is presented; *the synthesis method*, applied to establish links between the various indicators used in the research; *the comparative method* – used in comparing the economic and social indicators that characterize the progress and living standards of the population.

2. FINDINGS AND DISCUSSIONS

In the last century, the subject of improving people's lives, increasing their prosperity has become a major concern of all democratic societies, especially in the North American and European space, but also a hot topic on the agenda of the European Union. Over time, multiple attempts have been made to measure the standard of living and the well-being of people.

In the '30s, in order to measure the standard of living, of the prosperity of a state, the ***Gross Domestic Product (GDP)*** was mainly used**.** GDP is one of the key indicators of economic development and growth. This economic indicator expresses the gross added value of goods and services that have reached the last stage of the economic circuit, produced by domestic and foreign economic agents on the inside, in a certain period of calculation (usually one year). As GDP offers the possibility to make an easy, direct comparison between the standard of living of different countries, internationally standards have been established and accepted for the calculation of this indicator.

For most developed countries, economic growth has not diminished social problems, including, poverty. Consequently, the social dimension of development is recovered, the emphasis being placed on the importance of the quality of growth, of development not only economic, but also of social or human development. The scope of the concept of development, in this context, becoming more extensive.

As early as 1970, the American economist Simon Kuznets, winner of the Nobel Prize (1971), pointed out that GDP growth does not necessarily imply an increase in economic or social wealth. (1, pp.4) Later, another American economist Richard Easterlin, stated in 1974 that there was no positive correlation between GDP growth and life satisfaction ("Easterlin Paradox"). In other words, economic

activity does not automatically create social progress. (2, pp.5) Consequently, in 2009, the European Union through the Stiglitz-Sen-Fitoussi commission, which had the role of determining the limits of GDP as an indicator of economic performance and social progress, concluded that *a* GDP increase *does not necessarily imply* an improvement in the *quality of life at the level of society. tits. One of the main causes is considered to be the fact that most of the time economic growth is carried out at the expense of human well-being.* (6, pp.7; 9).

If we simply consider the gross domestic product of a nation (the sum of all the goods and services produced by a country over the course of a year) then we should conclude that the richest nations are those with the highest GDP: the United States, China, Japan, Germany. Just that no way could the economies of states such as Luxembourg or Singapore, which are only small points on the world map, match those of states as large as the US or China. In addition, GDP does not measure the distribution of wealth. For a more accurate representation of people's living conditions, economists calculate GDP per capita and its growth rate, indicators that reflect more about the potential social wealth available to each person and whether this wealth tits, over time, is either in growth or decreasing.

In order to obtain an and more relevant indicator, lately, the GDP adjustment to purchasing power, a popular measure of macroeconomic analysis, is being used to compare economic productivity and living standards between countries. ***Purchasing power parity*** (PPP) is an economic theory that compares the currencies of different countries through an approach to a "commodity curd". This indicator is expressed by the IMF in international dollars 2017 PPP (Purchasing Power Parity). An international dollar has the same purchasing power in every state as a dollar in the US.

According to data from the International Monetary Fund, the top ten richest countries in the world, by the GDP per capita index, adjusted to the purchasing power of each individual (PPP), in 2021, also includes countries whose social situation can be considered as uncertain as possible.

Table 1. Ranking of countries with the highest GDP per capita, 2021

Rank	Country	GDP-PPP (International $)	GDP Nominal ($)	Rank
1.	Luxembourg	126,569	131,302	1.
2.	Ireland	111,360	102,394	2.
3.	Singapore	107,677	66,263	6.
4.	Qatar	100,037	61,791	7.
5.	Switzerland	78,112	93,515	3.
6.	United Arab Emirates	74,245	43,538	8.
7.	Norway	69,859	82,244	4.
8.	USA	69,375	69,375	5.
9.	Macau	67,475	42,107	9.
10.	Brunei	65,675	26,490	10.

Source: statistics times

The data presented by the International Monetary Fund reflect those countries such as Brunei, Kuwait, Macau, the United Arab Emirates, Hong Kong, in the last decade have approached the top, registering a considerable economic performance, but socially they attest to a problematic situation.

As of 2021, Luxembourg holds the first place in the ranking of GDP per capita in nominal and PPP terms, followed by Ireland, which holds the second place in terms of GDP per capita in nominal terms and PPP. In nominal terms Luxembourg is ahead of Ireland by a huge margin of USD 28,908 and in the

PPP per capita by a margin of International USD 15,209. With reference to the other countries, the ranking differs according to the two indicators.

The Republic of Moldova ranks 92nd in terms of GDP per capita in nominal terms with an indicator of $ *14,258,* being one of the poorest countries in Europe. It should be noted that in previous years the situation was much worse, in 2019 Moldova holding the 131st place. Romania, the country to which a common history and culture connects us, holds the 51st place with an indicator of $ 33,833 in 2021.

Although, and the theory of purchasing power parity has been subject to numerous criticisms, as it is not a good reflection of reality, the purchasing power parity allows the possibility of comparing prices between countries that have different currencies.

Since GDP as a measuring instrument is based on strictly economic criteria, many economic analysts, sociologists, governors, etc. have drawn attention to the limits it has in reflecting the well-being of a society, and since the 70s, it has become a subject of constant criticism. Thus, from the beginning of the 70s of the last century until recently, a number of indicators of well-being have been developed.

The Human Development Index (HDI) is one of the most popular indices of the measurement of living standards and human well-being, developed in the early 90s, by the United Nations Development Programme (UNDP), an idea belonging to the Pakistani economist Mahbub ul Haq. (3, pp.4)

The report by the United Nations Development Program currently contains calculations of HDI for 189 countries of the world with the explicit purpose: "to change the focus of the development economy from national income accounting to people-centered policies". Haq wanted to convince the public that development should be assessed not only by the economic progress made, but also by improving human well-being.

It measures the average of a country's achievements based on three fundamental dimensions of human development: ***Health*** (a long and healthy life), assessed on the basis of the indicator "Life expectancy at birth"; ***Education*** (access to knowledge), evaluated by the average of the years of study from 25 years upwards, for adults and the years of study envisaged for children with school admission age; ***Standard of living*** (decent standard of living), assessed using gross national income per capita. HDI - the geometric mean of the stabilized indices that measure the achievements in each of these key dimensions.

A country has a higher HDI when the lifespan is longer, the level of education is higher and the gross national income per capita is higher.

The 2010 human development ratio introduced an inequality-adjusted development index (IHDI). While HDI is seen as a "potential" human development index (the maximum level of HDI) that could be achieved if there were no inequalities, IHDI is the real level of human development, representing inequality.

Table 2. Ranking the top ten countries according to the HDI Index, 2019

Rank HDI	**Country**	**Index HDI**	**Life expectancy at birth**	**Expected years of schooling**	**Mean years of schooling**	**Gross national income (GNI) 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
2.	Switzerland	0.955	83.8	16.3	13.4	69.394
4.	Hong Kong	0.949	84.9	16.9	12.3	62.985
4.	Iceland	0.949	83.0	19.1	12.8	54.682
6.	Germany	0.947	81.3	17.0	14.2	56.314

7.	Sweden	0.937	82.7	18.8	12.4	54.508
8.	Australia	0.944	83.4	22.0	12.7	48.085
8.	Netherlands	0.944	82.3	18.5	12.4	57.707
10.	Denmark	0.940	80.9	18.9	12.6	58.662

Source: Human Development Report, UNDP, 2020

The table data reflect that the top ten countries with the highest standard of living are held by the European Union countries with the exception of Hong Kong, this ranking being radically different from the ranking of the world's richest countries in economic terms, being further proof *that GDP growth* does *not necessarily boost the increase* in *living standards at the level of society*. (Easterlin paradox). Countries in the ranking of the richest countries such as Qatar rank 45th (HDI 0.848), Brunei – 47 (HDI 0.838), United Arab Emirates – 31 (HDI 0.890). Moreover, as a result of the HDI adjustment to inequalities, a number of states have lost several positions in the rankings in the last five years. Although all ten of the top countries recorded positive performances with an average annual increase in HDI, yet half of them ceded their position in 2014, however: Norway and Switzerland maintained the same positions held in 2014, Ireland and Hong Kong climbed seven positions, Iceland – 4 positions, and the other five countries lost from their previously held positions: The Lower Countries – one position, Austria and Denmark – 2 positions, Germany and Sweden – three positions.

The HDI value of 0.750 places Moldova in the category of high-level human development, positioned on the 90th place, at a great distance from Romania, which placed itself in the category of human development with a very high level, holding the 49th place. Between the performances of Moldova and Romania there is a major difference in all dimensions.

Table 3. HDI Index in Moldova and Romania, 2019

Rank HDI	**Country**	**Index HDI**	**Life expectancy at birth**	**Expected years of schooling**	**Mean years of schooling**	**Gross national income (GNI) per capita (PPP, $)**
90.	Moldova, Republic of	0.750	71.9	11.5	11.7	13,664
49.	Romania	0.828	76.1	14.3	11.1	29.497

Source: Human Development Report, UNDP, 2020

Moldova's HDI of 0.750 in 2019 is below the average of 0.753 for countries in the high human development group and below the average of 0.791 for countries in Europe and Central Asia.

In 2018, Moldova held the 107th place with an index of 0.711, thus climbing 17 positions in 2019. Romania, although making much bigger progress compared to Moldova, climbed only 2 positions in the ranking. Between 1990 and 2019, Moldova's HDI value increased by 8.7%, from 0.690 to 0.750.

Although Republic of Moldova has registered a series of positive changes (in the field of climate, gender development), however the country has lost 10.4% of the progress of human development due to persistent inequalities. The extent of deprivation of essential rights in the Republic of Moldova is 37.4%, which is the average deprivation score of people facing multidimensional poverty. Income poverty reflects only part of the currency. In Moldova, 0.9% of the population suffers from multidimensional poverty, while another 3.7% are qualified as vulnerable to multidimensional poverty.

Social Progress Index (SPI) **–** is another indicator used to measure the quality of life and social well-being of citizens. In 2010, a group of global experts in the social sector launched a new initiative *to develop a more reliable measure of a country's level of development* and, by extension, *to better understand its development priorities*. Funded by private foundations and under the technical guidance of Professors Michel Porter (Harvard Business School) and Scott Stern (Massachusetts Institute of Technology), the group formed the "Social Imperative Progress", which in 2013 developed the most complex tool for measuring Progress and Social Well-being - ***the Social Progress Index.*** The ***SPI*** index is seen as a complementary measure to GDP. Looking at the whole, the two indicators can provide an ample picture of the economic and social state of society. Thus, IPS allows us to evaluate the country's successes in the intention of transforming economic progress into visible social results.

"Social Imperative Progress", defines social progress as "*the capacity of society to meet the basic needs of people, to create the blocks that allow its people to improve and maintain the quality of life and to create conditions relevant for all citizens to and touch the whole potential".* (5, pp.4)

SPI is used as a tool for evaluating strengths and weaknesses and actions that improve people's lives. This indicator analyzes three different main components on 12 coordinates that the cart assigns them one score at a time. The results of the Social Progress Index reflect three general findings: *Economic development is necessary, but not sufficient for social progress; The overall level of development of a country indicates social and environmental strengths, as well as opportunities; At a disaggregated level, the social progress index points to the low-performance and successful areas of countries for any level of income.*

The higher the value of the Social Progress Index, the more favorable the living conditions in a particular country are.

According to the data presented by **the "Social Imperative Progress"** for 2021, out of the total 168 world countries included in the report, fourteen are the countries with the most favorable living conditions and are included in level I.

In the leading position again is Norway. The data presented in Table 5 reflect that all of the 14 ***Level I*** countries have high incomes and all point similarly to social progress, the differences between which are extremely small.

Table 4. Top countries with the best living conditions (highest SPI), 2021

Rank	**Country**	**GDP PPP per capita**		***Social Progress Index***	**SPI Components**		
		$	Ranking between 163 countries		Basic Human Needs	Foundations of Wellbeing	Opportunity
1.	Norway	6.586	**7**	**92.63**	95.29	93.30	89.30
2	Finland	47.261	**18**	**92.26**	95.62	93.09	88.07
3.	Denmark	55.938	**9**	**92.15**	95.30	92.74	88.41
4	Iceland	52.280	**11**	**91.78**	96.66	93.65	85.04
5.	Switzerland	68.593	**5**	**91.78**	95.25	93.80	85.49
6	Canada	45.859	**19**	**91.41**	94.72	92.83	86.68
7	Sweden	50.683	**14**	**91.20**	94.50	91.85	97.26
8.	Netherlands	54.210	**10**	**90.57**	94.09	91.24	86.38
9.	Japan	41,380	25	**90,44**	96.85	92.93	81.53

10.	Germany	50.922	**13**	**90,32**	94.59	89.35	87.03
11.	Australia	48.698	**16**	**90.28**	95.12	90.41	85.33
12.	New Zealand	42.404	**21**	**90.02**	94.30	91.50	84.27
13.	Ireland	89.689	**3**	**89.47**	93.91	89.58	84.93
14.	Austria	51,936	**12**	**89,44**	94.42	91.32	82.58
				... ...			
44.	Romania	28.833	**41**	**78.41**	89.47	76.87	68.91
60.	Moldova	12.325	**84**	**73.67**	85.19	73.96	61.86

Source: elaborated after Social Progress Index, 2021

Only 3.19 points separate the first place - Norway from the 14th place held by Austria. Among the Member States of the European Union, Finland, Denmark and Sweden are the first in the ranking, scoring a high level of quality of life. From the group of highly industrialized countries - the G7, in 2021 the best performing results recorded Canada, ranking sixth with a score of 91.41.

Level II shows a much wider range of scores, from Luxembourg (88.75, ranked 15th) to Hungary (80.15th, ranked 42nd). All tier 2 countries have high incomes. Leaders at ***level III,*** Bulgaria (78,81, 43) and Romania (78,41, 44), being the only EU Member States that are outside the first two levels. Level three also includes large Latin American countries such as Brazil, Colombia and Mexico, including Moldova. Mongolia's ***IV level*** also includes a few resource-rich countries, such as Qatar (68.07, 86), Bahrain (65.85, 96) China (65.44, 100) and Saudi Arabia (63.73, 105). ***Level V*** includes several of the countries that have improved the most in the last decade, including The Gambia (56.49, 122), Sierra Leone (53.01, 136) and Eswatini (52.00, 141). ***Level VI*** - are the countries, with low incomes.

Thus, we find that at the level of the fourteen leading countries of the world ranking, the differences between the overall social performance and the performance on different components of social progress are insignificant, while the overall ranking of the 168 countries reveals impressive differences between countries both in the overall social performance and, in particular, in the performance of the components of progress. Clearly, the social progress made by various states over the years has been strongly affected by the pandemic situation. However, globally SIP is slightly higher than that recorded in the previous year (65.05 points out of 100, compared to 64.68 in 2020).

The Social Progress Index, as well as the HDI, reflects an increase in the quality of life and social well-being in the Republic of Moldova, which has climbed eight positions and ranks 60th out of 168 countries in the world ranking. Moldova registers 73.67 points out of 100, a score slightly higher than in 2020 (72.58 points). Moldova obtained the best scores for access to housing (21st place), access to basic knowledge (48th place), access to communications and information (54th place), personal rights (57th place). At the opposite pole, the analyzed coordinates for Moldova that recorded lower scores are personal freedom and choice (99th place), inclusiveness (96th place), health and well-being (89th place), access to water and sanitation (88th place), personal safety (81st place), deaths from interpersonal violence (107th place). Moldova is very badly positioned on the corruption dimension – 89th place, access to improved water source (107th place), access to improved sanitation (105th place).

In an evolutionary aspect, the data confirm that Norway represents the country with *the most favorable living* conditions.

Table 5. The evolution of the ranking of the countries with the highest SPI, 2015 - 2021

2021		2020		2019		2018		2017		2016		2015	
Country	**Rank/ Score**	**Country**	**Rank/ Score**	**Country**	**Rank/ Score**	**Country**	**Rank/ Score**	**Country**	**Rank/ Score**	**Country**	**Rank/ Score**	**Country**	**Rank/ Score**
Norway	**1** /92,63	Norway	**1** /92,73	Norway	**1** /90,95	Norway	**1** /90,26	Denmark	**1** /90,57	Finland	**1** /90,09	Norway	**1** /88,36
Finland	**2** /92,26	Denmark	**2** /92,11	Denmark	**2** /90,09	Iceland	**2** /90,24	Finland	**2** /90,53	Canada	**2** /89,49	Sweden	**2** /88,06
Denmark	**3** /92,15	Finland	**3** /91,89	Switzerland	**3** /89,89	Switzerland	**3** /89,97	Norway	**3** /90,27	Denmark	**3** /89,39	Switzerland	**3** /87,97
Iceland	**4** /91,78	N. Zealand	**4** /91,64	Finland	**4** /89,56	Denmark	**4** /89,96	Iceland	**3** /90,27	Australia	**4** /89,13	Iceland	**4** /87,62
Switzerland	**5** /91,78	Sweden	**5** /91,62	Sweden	**5** /89,45	Finland	**5** /89,77	Switzerland	**5** /90,1	Switzerland	**5** /88,87	N. Zealand	**5** /87,08
Canada	**6** /91,41	Switzerland	**6** /91,42	Iceland	**6** /89,29	Japan	**6** /89,74	Canada	**6** /89,84	Sweden	**6** /88,8	Canada	**6** /86,89
Sweden	**7** /91,20	Canada	**7** /91,40	N. Zealand	**7** /88,93	Netherlands	**7** /89,34	Netherlands	**7** /89,82	Norway	**7** /88,7	Finland	**7** /86,75
Netherlands	**8** /90,57	Australia	**8** /91,29	Germany	**8** /88,84	Luxembourg	**8** /89,27	Sweden	**8** /89,66	Netherlands	**8** /88,65	Denmark	**8** /86,63
Japan	**9** / 90,44	Iceland	**9** / 91,09	Canada	**9** / 88,81	Germany	**9** /89,21	Australia	**9** /89,3	UK	**9** /88,58	Netherlands	**9** /86,5
Germany	**10** / 90,32	Netherlands	**10** / 91,06	Japan	**10** /88,34	N. Zealand	**10** /89,12	Netherlands	**9** /89,3	N. Zealand	**10** /88,45	Australia	**10** /86,42
Australia	**11** / 90,28	Germany	**11** / 90,56	Netherlands	**11** / 88,31	Sweden	**11** / 88,99	Ireland	**11** / 88,91	Iceland	**10** / 88,45	-	-
N. Zealand	**12** /90,02	Ireland	**12** /90,35	Australia	**12** /88,02	Ireland	**12** /88,82	UK	**12** /88,73	Ireland	**12** /87,94	-	-
Ireland	**13** / 89,47	Japan	**13** / 90,14	UK	**13** / 87,98	UK	**13** / 88,74	Germany	**13** / 88,5	-	-	-	-
Australia	**14** / 89,44	-	-	Ireland	**14** /87,97	Canada	**14** /88,62	Canada	**14** /87,98	-	-	-	-
Luxembourg	**15** / 88.75	-	-	France	**15** /87,79	-	-	-		-	-	-	-
... ...													
Romania	**44** /78,41	Romania	**45** /78,41	Romania	**45** /78,81	Romania	**44** /74,51	Romania	**44** /73,53	Romania	**42** /72,23	Romania	**50** /68,37
Moldova	**60** / 73.67	Moldova	**68** /73,67	Moldova	**70** /67,58	Moldova	**69** /67,69	Moldova	**71** /66,31	Moldova	**72** /64,73	Moldova	**70** /63,68

Source: elaborated after Social Progress Index, 2015-2021

Five years overall, Norway holds the leading position, of which the last four in a row, which reflects not only a high position, but also a stable one. At short distance is followed by Finland and Denmark. Switzerland and Iceland, which, although they have a relatively small population number, recorded a very high score.

All the top countries included in Tier I have high incomes, and they all point similarly in terms of social progress. Although from year to year the easy ranking changes, it is attested that overall, the countries that manage to achieve the best performances and offer their citizens the most favorable living conditions are about the same. The Member States of the European Union, with the exception of Bulgaria and Romania, are in the first two categories, having a high level of quality of life. 133 countries (91% of those measured) have improved their position in the last five years. The Republic of Moldova in these ranking scores a very modest result, maintains above the middle level, at a long distance from Romania. Even so we find that in the last two years it has made some progress, with 2021 climbing eight positions in the overall rankings.

In order to create favorable living conditions for citizens, Republic of Moldova has to carry out a series of reforms aimed at combating corruption, diversifying the market, attracting foreign investments in the national economy, creating more jobs, and more recently, in order to enhance energy security the country are seeking to diversify gas supplies and create gas stocks for emergency situations.

The Social Progress Index shows that the villages are less efficient than they would result according to the average GDP per capita. At the same time, there are countries that rank higher than that occupied according to GDP per capita. Systematically analyzing the relationship between economic development, as measured by GDP per capita, and social development, according to IPS, we see to what extent the level of wealth of a country is found in the well-being of each citizen. Therefore, social progress is the ability of a society to meet the basic needs of its citizens and to create opportunities for their development. IPS thus shows the directions in which governments, business and non-governmental organizations can contribute to raising the standard of living.

In this context, the beginning of the new millennium was marked by the efforts of societies at national level, but also globally to contribute more seriously to increasing the well-being and happiness of societies. We recall here that the Declaration of Social Progress and Development adopted in 1969 by the UN provides for ensuring the improvement of people's living conditions, the uniform and fair distribution of income within UN member countries.

One of the most well-known efforts in this regard was the 'historic" resolution adopted in June 2011 by the General Assembly of the United Nations (UN). UN member countries have been asked to assess the happiness of their people and use it to guide their public policies. The first World Happiness Report published in 2012 is a study conducted in 149 countries of the world to assess social progress based on certain indicators one of which - Gross National Happiness. The report is prepared by an international group of experts, including economists, psychologists and health experts.

The study is mainly based on the Gallup World Poll, but in order to obtain an overall score, indicators such as: GDP per capita are also used; the hope of healthy life, social support, the perception of corruption, the prevalence of generosity and the freedom to make choices in life. (2, pp.8) In addition, the report also takes into account your own sense of happiness. Although happiness is a subjective feeling, an unquantifiable indicator and difficult to measure, however, the evaluation of indicators such as: well-being, one's own sense of happiness is extremely important in the analysis of human living. The results of the study allow to conclude that apparently the most favorable countries are those that use the accumulated wealth in the interest of the citizen, access to the best possible public services seems to be the key to success. Since people's needs are met, people are satisfied and consider themselves happy.

The analysis of the data presented by the World Happiness Report reflects that at the top of the ranking are the countries that can be found in other reports regarding the countries with the most favorable living conditions. Thus, the report presented in 2022 reflects that for the fifth consecutive year, Finland is the leader of the happiest countries among the world's approximately 150 countries, followed by Denmark, Iceland, Switzerland, the Netherlands, Luxembourg, Sweden, Norway, Israel, New Zealand, Austria, Australia, Ireland, Germany, Canada. All these countries pursue the same thing: people's priorities are the primary things. We find that it is not the countries with high economic potential such as the USA, Japan, Germany, France, Great Britain, etc., that are at the top of the ranking. The economic riches held by large countries are not used as expected by the people. The expectations of society and the way the family system works can affect happiness. Countries that pressure people to succeed at any price, such as Japan, may end up being dissatisfied, despite the degree of advancement achieved.

The countries that, according to the report presented in March 2022, have made the greatest progress (in the rankings) have been Serbia, Bulgaria and Romania. Russia, though, attracts the attention by falling in the ranking, reaching the 80th place. Since the report was presented before the outbreak of the war in Ukraine, we believe that Russia's situation will worsen, in this context, even more.

The most unfortunate countries in the world are third world countries, mainly in Africa and the Middle East, which are the most affected by poverty, but also by serious political crises: Afghanistan, Lebanon, Zimbabwe. The suffering that happens in these countries is hard to perceive for many people of the rest of the planet. The longstanding and violent political crisis in these regions, combined with poverty, lack of access to vital services, etc., have led to the most unfortunate countries of the world.

The Republic of Moldova is a relatively happy country, ranking 62nd, three positions higher than the previous year or nine positions compared to 2019. It should be noted that in the first year of evaluation Moldova held the 53rd place, in 2019 it dropped considerably in the ranking, being on the 71st place, the next years registering again an increase in the level of happiness, which makes us conclude that our country in recent years is a happier one. Obviously, the situation has worsened and continues to worsen this year, as a result of the war started by Russia.

3. CONCLUSIONS

The measurement of social progress and the standard of living of the countries of the world can be done on the basis of various developed indicators. The analyzes carried out determine the formulation of the

following conclusions: for a decent living, obviously, a functional economy is needed, the state being responsible for the performances in the economic development and the corresponding social security measures. However, the progress of a modern society depends not only on the economic performance, but in particular on the way in which the accumulated national wealth is distributed in accordance with the interests and expectations of its citizens. Although many efforts have been made to measure people's well-being and standard of living, a true indicator, valid for all countries of the world, is extremely difficult to develop. Considerable differences in the countries of the world: economic progress, priority objectives of governance, access to public services, citizens values and expectations, their own feeling, etc., complicate the assessment of social progress on the basis of standard indicators.

Since a universal indicator that would reflect the performance of countries cannot be identified, for an objective and rigorous evaluation it is rational to use a few indicators.

The analysis of the indicators developed and used by various international bodies reveals that the best results are recorded, largely by the same countries. From their category are detached countries whose priorities are the people and their worries. In order to provide adequate living conditions, quality services, administrations have focused primarily on economic performance, in fact, however, what makes the difference between societies' standard of living is how public money is used.

ACKNOWLEDGMENTS

This paper is developed within the project "Human Rights in the Republic of Moldova: financial dimension and consolidation through the sufficient public experiences management" (code 20.80009.0807.35), funded through the National Agency for Research and Development of the Republic of Moldova under the State Program 2020-2023.

REFERENCES

1. Costanza, R., Hart, M., Posner, S., Talberth J. (2009), *Beyond GDP: The Need for New Measures of Progress*, in "The Pardee Papers", nr. 4, Boston University;
2. Helliwell, J., Layard, R., others (2012), World Happiness Report, New York: Sustainable Development Solutions Network, viewed 14 February, 2022, <https://worldhappiness.report/>
3. Human development report (1990), UNDP, New York, Oxford University Press, viewed 11 January, 2022, <https://hdr.undp.org/content/human-development-report-1990>;
4. Human Development Report, UNDP (2020), viewed 16 February, 2022, <https://hdr.undp.org/data-center /human-development-index #/indicies/HDI>;
5. Porter, M., Stern, S., Green, M (2013), Social progress index 2013, viewed 20 February, 2022, <https://www2.deloitte.com/content/dam/Deloitte/se/Images/promo_images/artiklar/Global_Social_Progress_Index_2013.pdf>;
6. Stiglitz JE., Sen A., Fitoussi, JP., Report by the Commission on the Measurement of Economic Performance and Social Progress, viewed 24 March, 2022, <https://ec.europa.eu/eurostat/documents/8131721/8131772/Stiglitz-Sen-Fitoussi-Commission-report.pdf>;
7. Statistics Times, viewed 8 January, 2022, <https://statisticstimes.com/economy/world-statistics.php>.