

THE QUALITY OF LIFE OF THE LITHUANIAN POPULATION¹

Review



Professor Ona Gražina Rakauskienė has long been interested in the issues of social economics and has carried out purposeful research in that area; her well-known books and papers in the field of economics always have a social thread running through them. The present monograph, written together with her student Vaida Servetkienė, is concerned with the issues of economic and social well-being of the Lithuanian population. The authors present an extensive analysis of the quality of life of the population, starting with the comparison of international indices defining the quality of life, then proceeding with the examination of the indicators of material well-being, health and environmental health as well as demographic situation and development of the population, further researching scientific, educational and cultural development and the development of moral, ethical and spiritual values, and concluding with

the examination of gender equality issues which are an important indicator of the quality of life of a human being and a country.

The topic of the monograph ‘The Quality of Life of the Lithuanian Population: 20 Years in the Market Economy’ is undoubtedly important since the quality of life of the population is the key and real indicator of effectiveness of economic policy. Currently, this topic is very relevant to Lithuania, striving to overcome the crisis and aiming at sustainable growth of the country’s economy.

Due to the scope of the issue and the extensive statistical data, the researchers have faced certain difficulties when seeking to make more or less generalised conclusions. However, a systemic view of the subject-matter of research presented by the authors helps making the topic more accessible to the reader and other researchers and allows

¹ Ona Gražina Rakauskienė, Vaida Servetkienė. *Lietuvos gyventojų gyvenimo kokybė: dvidešimt metų rinkos ekonomikoje*. Vilnius, Mykolo Romerio universitetas, 2011.

the authors to present a clear picture of such a complicated concept which is the quality of life and to disclose the real situation in Lithuania.

The directions of the monograph are based on the analysis of the well-being of the Lithuanian population in 1990-2011. The book reveals the role of the quality of life in the country's economy, the influence of external factors on the quality of life; it contains a comprehensive examination of the aspects of development of well-being of the Lithuanian population, encompassing a very wide range of fields and respective indicators. The monograph analyses theoretical and methodological as well as practical aspects of the quality of life and presents the structure of a complex concept of quality of life. It offers a comprehensive and in-depth analysis of development of demographic and health characteristics and the standard of living of the population, i.e., the material situation during the period of transition to market economy; it also raises the issues of development of cultural, moral and ethical values, reveals their influence on the economy and suggests the directions and measures for resolving these issues as well as further tendencies and prospects of development of the quality of life. These issues are of utmost importance for the economic and social development of Lithuania, oriented towards the European model of well-being, on which the long-term economic development strategy of Lithuania is based.

Several factors determine the relevance and novelty of the topic of the monograph.

The first one is related to the period of transformation, complex and ambiguous processes taking place in the socio-economic life in Lithuania. The results of these changes have not yet been sufficiently reflected upon and analysed in Lithuania. Complex processes taking place in the country's economy are often simplified, a professional view is replaced by a politicised superficial viewpoint; there is a lack of more serious and thorough analysis of economic processes and problems and too few professional discussions on socio-economic phenomena; an alternative viewpoint and efficient and impartial assessment of problems are lacking. The authors attempt to fill this gap, choosing a holistic approach to economics as a point of reference.

The second factor is linked to the fact that such important issues as the quality of life of a human being and the quality of human resources receive insufficient attention and are relatively poorly researched in Lithuania. With the ongoing processes of globalisation, it is clear that the well-being of a specific country increasingly depends on the developments outside its territory, i.e., in global economy. External factors are essential for the well-being of such a small, open economy as Lithuania. Lithuanian economy is vulnerable and sensitive to external shocks; therefore, the authors of the monograph, being aware of the complex processes of globalisation and integration taking place in the country, examine the indicators of the quality of life of the Lithuanian population, comparing them with international indicators and when presenting Lithuania's place in world rankings in this field, they pay particular attention to the tendencies occurring in the countries worldwide and within the EU, as well as the most recent trends in the context of the crisis.

Thirdly, on 31 May 2001, Lithuania became a member of the World Trade Organization and on 1 May 2004 – a member of the European Union. The membership created new opportunities for the country and provided stability and credibility to its economic life, which are especially important factors for the population. Adjusting to the common interests of the EU Member States, Lithuania still has to reduce its budget deficit and to raise and, in a way, limit the increase in the standard of living of the population. These ambiguous vectors have a different effect on the income and consumption of various social groups, increasing the differentiation of these indicators, which is specifically raised and analysed in the monograph. The book contains a thorough analysis of the development of quality of life of the Lithuanian population within a relatively long period from 1990 to 2011: it reveals the factors influencing the standard of living, analyses the development and tendencies of the structural elements of quality of life, offers a comprehensive analysis of the material standard of living of the population, as well as an analysis of income, consumption, savings, housing and consumer durable goods, placing particular emphasis on the opportunities for development of the quality of life of the Lithuanian population and future problems, and defining the short-term and strategic development guidelines.

Fourthly, the authors of the book highlight the problem of decline of moral and ethical values and carry out an analysis to prove that, on the one hand, it affects the economy and, on the other hand, it is one of the reasons causing economic crisis. One of the outstanding and new aspects of this monograph is the evaluation of the moral state of society according to the public morality (spiritual and physical health) index suggested by the authors. The authors also have to be credited for discovering original and, from a professional point of view, unexpected interpretations of each issue discussed, which adds to the originality of the monograph.

The monograph presents an overview of groups of inter-related issues: the first group involves the external factors of quality of life of the Lithuanian population, namely, the EU economic and social cohesion policy, the priority of macroeconomic indicators in Lithuania which is contrary to that policy, as well as the consequences of global economic crisis on the quality of life, and theoretical and methodological basics of quality of life, which are difficult to generalise. The second group of issues in the analytical part is concerned with the tendencies of development of the standard of living in 1990-2011 and analysis of indicators of individual components of the quality of life. The logical chain of quality of life closes with an analysis of issues related to cultural, moral, ethical and spiritual values and their influence on economy, which constitute the third group of issues. These groups of issues are the focus of the monograph. The monograph also covers other aspects of the quality of life of the Lithuanian population, including public safety and personal security, the aforementioned gender equality, etc.

The monograph attempts to show that for the purpose of assessment of efficiency of economic policy and the actual economic situation in the country, it is necessary to refer to the system of quality of life indicators and not just the GDP and the Maastricht

criteria. It also indicates that research on the quality of life is essential for economy and in terms of rational use of economic resources.

The authors rightfully bring out the flawed tendencies in Lithuanian social economy, which have a negative effect on the country's macroeconomic performance. These include insufficient understanding of the importance of a human being to economy and underestimation of a human being, excessive differentiation of income and assets turning into polarisation, and decline of cultural, moral, ethical and spiritual values which has a direct and indirect effect on the economy. The authors raise these issues and provide arguments to show that they are the most detrimental to the economy.

The authors indicate that the country's official strategic documents set employment and human resources as the priority; however, in reality, a monetary view of economic development issues and the paradigm of automatic self-regulation dominate the economy, whereas the socio-economic issues are considered to be secondary matters and a manifestation of populism, with the priority given to attaining the Maastricht criteria at all costs. On the other hand, it is revealed that the majority of people in Lithuania are well aware of income inequality and polarisation, have a negative attitude towards the situation and, due to limited opportunities to find employment and earn income in Lithuania, they emigrate to other countries. While inequality increases, the attitude is growing stronger. Thus, according to the authors, the indifference to the standard of living and quality of life of the population, shown by the political and administrative elite deciding on the economic and social development of the country, is not in line with the concerns of the majority of people.

However, the monograph also has certain shortcomings. Concerns could be raised about the fact that some of the data are obsolete, some sections lack up-to-date information; however, on the other hand, it has not been the task of the authors to present the most recent statistical data, which the reader can easily find in statistical publications. More thorough work could have possibly been done in the last part, particularly when elevating the role of the intellectuals. This is quite an interesting and correct idea; however, it has only been raised and not properly developed.

To sum up the evaluation of the monograph, it has to be stressed that the topic of the monograph is of particular relevance; important directions have been identified to increase the quality of life of the population. The book contains a systematic and particular examination of the economic problem relevant to Lithuania; extensive research has been carried out, summarising a large amount of statistical data from various and numerous statistical sources. The monograph highlights the key tendencies, patterns and problems of development of the quality of life in 1990-2011, offers directions towards their solution, which is significant from a scientific, methodological and practical perspective. It presents fundamental conclusions arising from the research and analysis carried out, which are important from both theoretical and practical point of view.

The authors have carried out meaningful research, pointing to what the focus of Lithuanian state policy should be in order to revive the economy. This book makes a significant contribution to theoretical and practical knowledge about Lithuanian and

international socio-economic relations and offers real assistance to researchers, politicians, civil servants and businessmen dealing with well-being issues in Lithuania.

The reviewed book is beneficial not only to scholars and public sector workers but also to the academic community. At the same time, it can be easily applied in practice; it is also valuable to the teaching process, since there is still lack of scientific literature on the issues of well-being of the Lithuanian population. Another advantage of the monograph is that the authors present a professional analysis of the quality of life issues in Lithuania from an economic perspective, and, therefore, it is useful to students of higher education institutions who study economics, lecturers, as well as the general educated public concerned with the issues of well-being of the Lithuanian population.

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