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Economic Benefits of gender equality: comparing EU and BRICS countries

KEYWORDS

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ABSTRACT

Introduction. In the modern economy the problems of scientific analysis shift the focus from the subject area of gender inequality to gender equality, and special significance is attached to assessing the impact of gender on the social welfare. At the same time, it is noted that developed and developing countries currently have differences in the quality and quantity of goals achieved to address the issue of gender equality. The aim of the article is to assess the economic benefits of gender equality for a group of countries in the European Union and BRICS.

Materials and methods. Empirical analysis was based on the construction of regression econometric models that assess the impact on the welfare of the country (GDP) of gender equality in combination with basic macroeconomic factors. Fixed effects regression models have the best descriptive capacity for the EU and BRICS countries, which was verified by standard econometric tests.

The information base of the study was made up of official statistics from the reports of the World Bank, the World Economic Forum, the International Monetary Fund, and the United Nations.

Results and Discussion. As a result of the study, it was revealed that the level of gender equality has a positive effect on the economic development of both the EU countries and the BRICS; a comparison of the results of the constructed econometric models for groups of EU and BRICS countries showed that gender equality has a statistically significant impact on the economic development of countries in each group, and in the BRICS countries it is stronger, so with an increase in gender equality by one, GDP per capita increases by 3.4172 vs. 0.4647 in EU countries. The inclusion of key socio-economic indicators in the analysis made it possible to compare the obtained impact, and it was found that the degree of influence of the equality index is not lower than the degree of influence of basic economic indicators. That increases the importance of this problem both at the level of the country and international associations. The conclusions obtained based on the analysis of macro statistics confirmed the conclusions of the researchers based on microeconomic data.

Conclusions. The results of this study are aimed at understanding the problems of gender equality, its impact on the economic well-being of society, both in an individual country and in the world economy as a whole, which can be taken into account in designing the policy of the state and companies that together ensure progress in the development of equality between men and women.

FOR CITATION

INTRODUCTION

In today's reality, the aspect of the impact of gender equality or inequality on the development of both national economies and the world economy is becoming more relevant. Many countries note and quantify the degree of gender differences and gaps in economic activity.

Resent researches recognize that gender is a major objective marker of socioeconomic stratification at times. Regardless of one's socioeconomic group, there are systematic gender differences in material well-being, although the degree of inequality varies between countries and over time. As a result, gender inequality is a feature of most societies, with men, on average, better positioned in social, economic, and political hierarchies.

Achieving gender equality over the past twenty years is considered one of the main goals for organizations and governments around the world, which seek to create and consolidate socio-economic structures that will contribute to the development of society [1, p. 1], which determines the subject area of the study of this issue in this article.

The present situation in the world shows that objectively men tend to do less housework and child care, but make key household decisions, own a larger sector of public power influence, have higher salaries and are in greater numbers in leadership positions, and more often have greater control over economic goods [2, p. 2] than women in every country. But there is no denying that new trends of systematic change are also evident. For example, young fathers are more active in taking care of their children, mothers are the main breadwinners even when fathers are around, and men have a work-life balance policy.

It should be emphasized that gender equality is one of the Sustainable Development Goals proposed by the UN. The fifth Sustainable Development Goal postulates gender equality and the empowerment of all women and girls [3]. The Gender Equality Index, presented by the European Union, tracks and reports on progress in reducing gender disparities in social, economic and political spheres, offering yet comprehensive measures, measuring equality between men and women in six main areas (work, money, knowledge, time, effort and health), called "domains" and two additional (violence against women and intersecting inequalities) [4]. The index reveals both successes and failures on this issue, and explores what can be done to seize opportunities for change.

In this regard, it is relevant not just to understand equality in order to solve social problems, but also how increasing equality has an impact on the economic well-being of the country. The aim of this article is to assess the economic benefits of gender equality for the European Union (hereafter, the EU) and the BRICS countries.

MATERIALS AND METHODS

In the study of issues related to the impact of gender equality on the economic development of countries will be based on the models of E. V. Rodriguez, A. Mitra. Rodriguez's research is based on the degree of inequality determined through the standard deviation, as a result it was found that a decrease in inequality of opportunities increases GDP growth by 1.3 percentage points, and an increase in equality increases economic growth on average about 1.2 percentage points [5, p. 2]. A. Mitra's study proved that the feminization of the labor force has a positive relationship with economic growth in Latin American countries [6, p. 82].

Based on the models developed by economic science, this article chooses GDP per capita as the dependent variable as an indicator of economic development of countries. To describe the impact of gender equality on GDP, the Gender Inequality Index, recalculated as an inverse relationship, is taken. This index takes a value from 0 to 1, the closer to one, the higher is the level of inequality. Consequently, the level of gender equality can be calculated by subtracting the value of this index from 1. In order to make the explanatory power of the model of gender equality impact on the economy higher, as well as to reveal the degree of gender equality impact in comparison with the key economic factors, the following variables were included in the econometric equation:

- GDP (GDP per capita) – the dependent variable, GDP per capita in US dollars, which determines the level of economic development of the country [7];
- GII (Gender Inequality index) – Gender Equality Index, designed to measure gender homogeneity in access to resources and opportunities in individual countries, recalculated in inverse relation to the Gender Inequality Index. Thus, the higher the index, the higher the gender equality in the country [8];
- unemployment (Unemployment, % of total labor force) – an indicator of the unemployment rate, measured as a percentage of the total labor force, a national estimate [7];
- CC (Control of Corruption) is an indicator of the control of corruption, reflecting the perception of the extent to which state power is used for personal gain, including both small and large forms of corruption, as well as the "capture" of the state by elites and private interests. The score is given by the country's aggregate index in units of a standard normal distribution, i.e., in the range of approximately – 2.5 to 2.5 [7];
- EFI (Economic Freedom Index) is an index of economic freedom, calculated by The Heritage Foundation together with The Wall Street Journal. It is measured in the range from 0 to 100. The closer to 100, the more economically free the country is;
- GCF (Gross capital formation) is an indicator of gross capital formation, which consists of the cost of adding to the fixed assets of the economy plus the net change in the level of stocks (the goods that firms hold to meet temporary or unexpected fluctuations in production or sales) [7];

- FDI (Foreign Direct Investments, net inflows) – the inflow of foreign direct investment in U.S. dollars [7];
- education (Educational attainment, at least completed upper secondary) – an indicator of the level of education, at least completed upper secondary [7];
- trade (Trade) – an indicator of international trade, the sum of exports and imports of goods and services [7].

The information base of the study is represented by official statistical data from the reports of the World Bank, the World Economic Forum, the International Monetary Fund, and the United Nations.

The main hypothesis of the study is that gender equality has a positive effect on GDP per capita.

RESULTS

The conducted comparative analysis of equality issues allows us to conclude that the degree of relevance of certain gender equality problems at the moment is different in the EU and in the BRICS countries. For the EU at the moment, there are virtually no problems that some of the BRICS countries have not yet coped with (the ban on participation in the country's economic activity, decriminalization of domestic violence [9], barriers for women to receive treatment and prevention of HIV infections, child marriage [2]). For the EU, some of the main objectives are to achieve parity of political representation, to promote more women in the labor market, and to close the pay gap for women. Of course, these goals should also be achieved by the BRICS countries, along with the solution of the above-mentioned problems for this group of countries. The BRICS countries are very diverse, but they have one thing in common: the pursuit of sustainable macroeconomic growth through economic cooperation, peace and security, social justice, sustainable development and improved quality of life.

Let's compare elements of gender equality using the Gender Inequality Index (GII) and determine which group of countries has a smaller gender gap on these indicators.

The Gender Inequality Index (GII) reflects gender inequality in three dimensions-reproductive health, empowerment, and the labor market. It ranges from 0, when women and men live equally, to 1, when there is complete gender inequality. The GII is calculated using an association-sensitive measure of inequality, which implies that the index is based on the overall average of the total values of the different orders-the first aggregation being the geometric average across the dimensions. These averages, calculated separately for women and men, are aggregated using the harmonic mean by sex (see Figure 1).
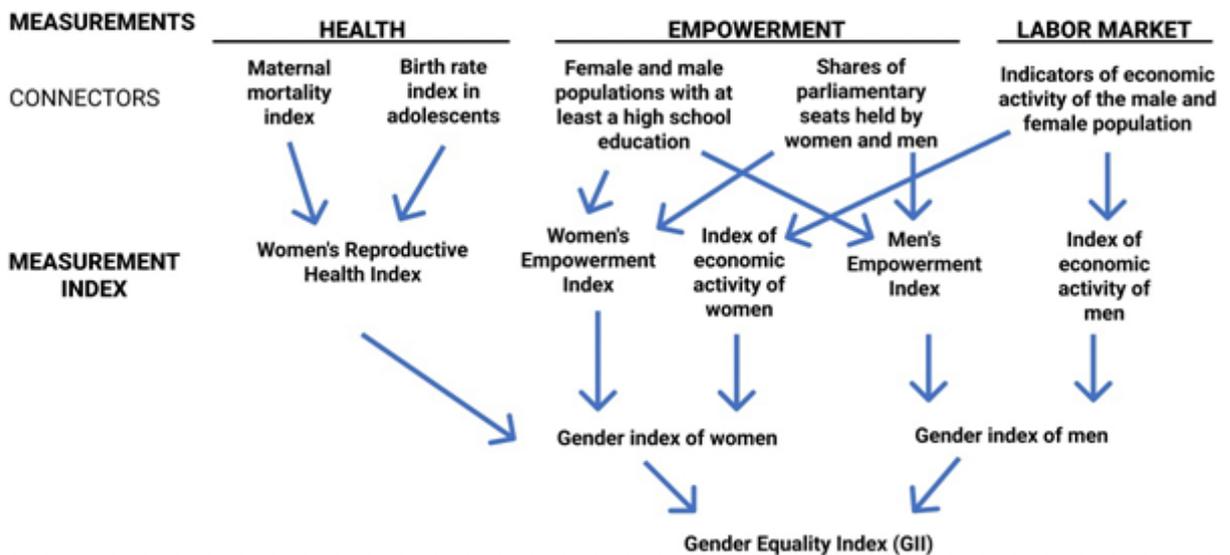
Figure 1 Algorithm of calculating the gender equality index*

compiled by the authors according to [8].

Let us consider and compare between groups of countries the indicators that can describe gender inequality on their own.
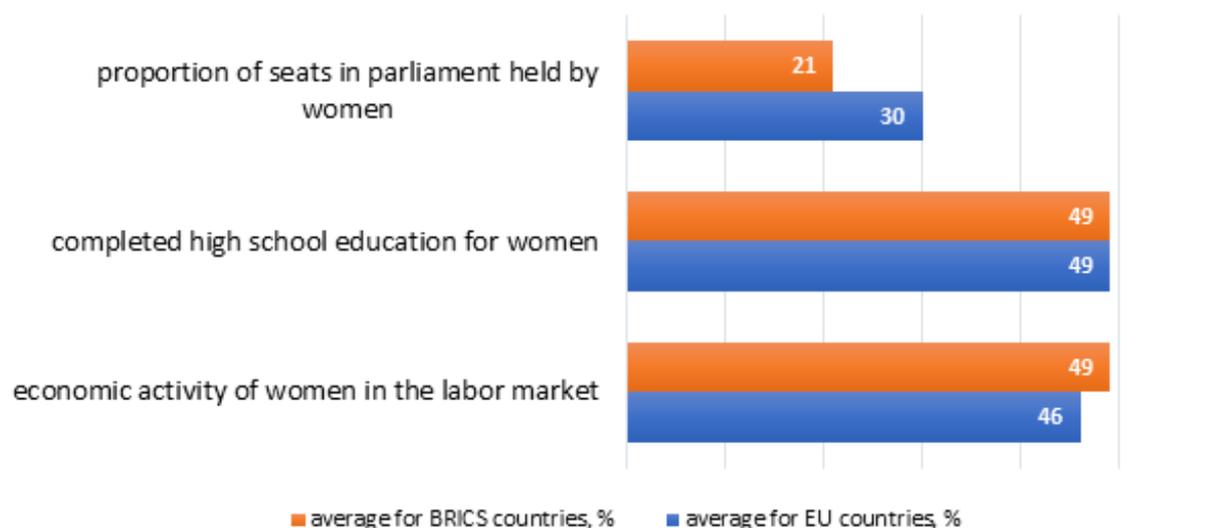
Figure 2 Gender Equality Indicators in the EU and BRICS*

compiled by the authors according to [7; 11]

Comparing the data in Figure 2, we see that women from the EU countries have a higher proportion of seats in parliaments than women in the BRICS countries, yet the percentage of women in parliament is very low in both groups of countries. The UN study points out that objectively and traditionally women are less likely to enter the political sector, so their share is small.

In the EU there are 6 p.p. more economically active women in the labor market than in the BRICS countries. In both groups of countries the number of men in the labor force exceeds the number of women, with an 8% increase in the EU and a 20% increase in the BRICS countries.

Thus, comparing the three indicators of gender equality, we see that two of them are weaker in the BRICS countries than in the EU. Access to education for women is at the same level in both groups and very close to gender parity. The advanced level of gender equality in the EU may explain the fact that these countries have more developed economies than the BRICS countries, as the level of gender equality has a direct impact on the economy.

For the EU and the BRICS countries there are different primary challenges to achieving gender equality, but this does not prevent us from assessing how it affects the economies of the countries. It is also understandable that although each of the BRICS countries has its own national characteristics related to its historical past and cultural background, and their performance may differ, averages may well describe the overall picture for developing countries.

However, other economic and socio-economic key factors, in addition to gender equality, can influence the economy, so let's conduct an econometric study.

Let's make a model to estimate the economic benefits for the countries of the European Union. The number of countries (observations) – 28. The time interval is from 2009 to 2018. The number of observations for each country is distributed evenly over the years. A total of 280 observations were obtained, which formed the basis of the study (see Table 1).

Table 1

Descriptive statistics for EU countries

Variable		Mean	Std. Dev.	Min	Max	Observations	
logGDP	overall	10.21097	.6359047	8.83102	11.6854	N =	280
	between		.6399955	8.938379	11.60012	n =	28
	within		.0894049	9.984829	10.5233	T =	10
unempl~t	overall	9.392816	4.701432	2.2433	27.4662	N =	280
	between		4.057655	5.1998	20.85993	n =	28
	within		2.483951	-1.771884	16.83388	T =	10
EFI	overall	69.08071	5.703239	53.2	82.2	N =	280
	between		5.527931	56.98	78.2	n =	28
	within		1.718912	63.43071	75.13071	T =	10
GCF	overall	21.12264	3.61403	10.21701	37.41433	N =	280
	between		2.95832	13.4119	26.33028	n =	28
	within		2.142865	14.44412	34.9287	T =	10
FDI	overall	11.03536	32.86944	-41.5082	280.1318	N =	280
	between		27.3758	-.018818	141.8014	n =	28
	within		18.84518	-109.9073	149.3658	T =	10
trade	overall	125.7187	70.31516	45.41876	408.362	N =	280
	between		70.34864	54.93192	360.5699	n =	28
	within		12.44721	61.12163	173.5108	T =	10
educat~n	overall	68.89341	16.65752	21.02282	89.70639	N =	280
	between		16.81486	23.15329	87.73571	n =	28
	within		1.963183	58.7259	80.62236	T =	10
CC	overall	1.00555	.7933567	-.2672882	2.446495	N =	280
	between		.7989845	-.2105742	2.3026	n =	28
	within		.1078492	.6856533	1.322111	T =	10
GII	overall	.8651429	.0713915	.635	.96	N =	280
	between		.0696317	.6551	.9536	n =	28
	within		.0201139	.7881429	.9266429	T =	10

To identify the best model, we conducted a Hausman test to compare regression models with random and fixed effects. This test showed that the regression model with fixed effects is superior to the regression model with random effects.

The final econometric model and significant explanatory variables for EU countries are presented in Table 2. In order to see a more correct model, the absolute indicator is converted to the relative logGDP, using logarithm.

Table 2

Final econometric model for EU countries

```
Fixed-effects (within) regression          Number of obs     =        280
Group variable: country2                   Number of groups  =         28

R-sq:                                      Obs per group:
    within  = 0.6843                                   min =         10
    between = 0.0003                                   avg =       10.0
    overall = 0.0010                                   max =         10

                                           F(6,246)          =      88.89
corr(u_i, Xb)  = -0.6182                   Prob > F          =     0.0000
```

logGDP	Coef.	Std. Err.	t	P>|t|	[95% Conf. Interval]	
unemployment	-.008402	.0017547	-4.79	0.000	-.011858	-.0049459
EFI	.0108737	.0021077	5.16	0.000	.0067222	.0150252
GCF	.0040838	.0018188	2.25	0.026	.0005013	.0076663
trade	.0009195	.0003003	3.06	0.002	.0003281	.001511
education	.0271881	.0019238	14.13	0.000	.0233989	.0309772
GII	.4646608	.1973327	2.35	0.019	.8533379	.0759837
_cons	7.865783	.2379843	33.05	0.000	7.397036	8.334529
sigma_u	.81943039					
sigma_e	.05349349					
rho	.99575643	(fraction of variance due to u_i)				

```
F test that all u_i=0: F(27, 246) = 409.53              Prob > F = 0.0000
```

In accordance with the obtained econometric model the main hypothesis for the EU countries is proved, testing that the level of gender equality (GGI indicator) has a positive effect on GDP per capita.

The interpretation of the regression model looks like this: with the increase of GII per unit GDP per capita will increase by 0.4647. In addition, the model showed the level of influence of other factors on the economic development of countries. Thus, an increase in the unemployment rate has a negative impact on GDP. It was obtained that with increase of unemployment rate by 1, GDP falls by 0.0084. If the level of economic freedom (EFI) increases by 1, GDP per capita (GDP) will increase by 0.0109. If the level of gross savings (GCF) increases by 1, GDP per capita will increase by 0.0041. When the level of international trade increases by 1, GDP also increases by 0.0009. Finally, the education indicator (education), which if increased by 1, provides an increase in GDP by 0.0272.

Now let's make a model for estimating economic benefits for the BRICS countries. The time interval of observation is one year. The number of countries (observations) is five. The

time interval is from 2009 to 2018. The number of observations for each country is distributed evenly over the years. A total of 50 observations were obtained, which formed the basis of the study. Using logarithm, the absolute indicator, which does not take a negative value of GDP, was converted into a relative logGDP to create a correct model.

Table 3

Descriptive statistics for EU countries

Variable		Mean	Std. Dev.	Min	Max	Observations	
logGDP	overall	8.711203	.7564186	7.004847	9.680787	N =	50
	between		.8066639	7.34527	9.361139	n =	5
	within		.2024353	8.150827	9.086782	T =	10
unempl~t	overall	10.25732	7.857994	3.8	27.0354	N =	50
	between		8.571972	4.052	25.26513	n =	5
	within		1.328705	8.041169	14.20237	T =	10
EFI	overall	55.712	4.15823	50.3	63.8	N =	50
	between		4.087459	52.31	62.61	n =	5
	within		1.911085	51.262	61.602	T =	10
GCF	overall	28.5836	10.96216	14.63039	47.81881	N =	50
	between		11.83267	18.79241	46.26974	n =	5
	within		2.423514	23.6817	33.68998	T =	10
FDI	overall	2.236085	1.050673	.4789174	4.145494	N =	50
	between		.8456603	1.294391	3.511584	n =	5
	within		.7211971	.6129566	3.681233	T =	10
trade	overall	44.96004	12.11981	22.10598	64.4345	N =	50
	between		12.71543	24.96111	60.07953	n =	5
	within		3.860595	37.52512	53.15995	T =	10
educat~n	overall	46.31811	22.90362	20.647	86.135	N =	50
	between		25.29918	23.881	85.11542	n =	5
	within		1.444792	42.80414	49.05824	T =	10
CC	overall	-.3872276	.3627927	-1.132048	.1821967	N =	50
	between		.3707014	-.9771873	.0228374	n =	5
	within		.1394249	-.714574	-.0165989	T =	10
GII	overall	.62064	.1358184	.371	.837	N =	50
	between		.1475778	.4335	.8212	n =	5
	within		.0258398	.55674	.68614	T =	10

The selected final regression equation, verified on the basis of comparison with other constructed econometric models, is presented in Table 4.

The model for the BRICS countries also confirmed the main hypothesis. As in the EU countries, the level of gender equality has a positive effect on the economic development of the countries. When the GGI indicator reflecting gender equality increases, GDP per capita (GDP) will increase by 3.4172. The indicator of foreign direct investment (FDI) also affects the indicator of GDP, increasing FDI by 1, GDP increases by 0.1567.

The indicator of world trade (trade) negatively affects, if it increases by 1, the GDP per capita will change by 0.0302, this can be explained by the fact that in this indicator for the BRICS countries a large share is imports, which does not lead to an increase in GDP. The education indicator, which describes the level of education, has a positive effect on GDP, with an increase of 1, GDP rises by 0.0208.

Table 4

Final econometric model for the BRICS countries

```
Random-effects GLS regression              Number of obs     =          50
Group variable: country2                   Number of groups  =           5

R-sq:                                      Obs per group:
    within  = 0.2545                                    min =          10
    between = 0.9904                                    avg =        10.0
    overall = 0.9044                                    max =          10

                                           Wald chi2(5)      =      416.10
corr(u_i, X)   = 0 (assumed)               Prob > chi2       =      0.0000
```

logGDP	Coef.	Std. Err.	z	P>|z|	[95% Conf. Interval]	
EFI	.0752771	.0098794	7.62	0.000	.0559138	.0946405
FDI	.1566631	.0449264	3.49	0.000	.0686089	.2447173
trade	-.0302378	.0038257	-7.90	0.000	-.0377361	-.0227396
education	.0208318	.0016668	12.50	0.000	.0175649	.0240987
GII	3.417189	.2791053	12.24	0.000	2.870153	3.964225
_cons	2.440813	.6699756	3.64	0.000	1.127685	3.753941
sigma_u	0					
sigma_e	.12330464					
rho	0	(fraction of variance due to u_i)				

We present a comparison of the significance of the variables for the models of the impact of gender equality on the EU and BRICS economies in the table below.

Table 5

Comparison of the significance of variables for regression models of the impact of gender equality on the EU and BRICS economies

	EU	BRICS
Variables	logGDP	logGDP
unemployment	-0.0084***	
EFI	0.0109***	0.0753***
GCF	0.0041**	
FDI		0.1567***
trade	0.0009***	-0.0302***
education	0.0272***	0.0208***
CC		
GII	0.4647**	3.4172***
R²	0.6843	0.2545

** the coefficient is statistically significant at 10% level

*** the coefficient is statistically significant at the 5% level

DISCUSSION

An empirical study aimed at assessing the economic benefits of equality in the country covered a comparison of the European Union and the BRICS countries. The hypothesis of a positive effect of equality on country welfare was confirmed by regression analysis.

In our study we agree with the approach of Madhavi P. [10] those additional independent variables – key socioeconomic factors – should be included in the analysis. This is what allows us to increase the descriptive power of the model. We focused on the benefits of gender equity which is consistent with Damjanovic & Selvaretnam research. Their simulation model shows that in the long run, an economy with gender equality can outperform an economy where gender balance of power maximizes social output [12].

The conclusions of our model confirm the theoretical and empirical microeconomic models in the labor market slice conducted by Roshchin [13], and indicate the provision of conditions for equality among men and women in the economic life of the country.

CONCLUSION

Thus, comparing the results of the models for the groups of EU and BRICS countries, it can be noted that gender equality has an impact on the economic development of countries in each group, with a stronger impact in the BRICS countries. For example, when this indicator increases by one, GDP per capita increases by 3.4172 versus 0.4647 in the EU countries. This variable is significant at all levels for the BRICS countries, while for the EU countries only at the levels of 5% and 10%. The higher role of gender equality for the BRICS may be due to the fact that the EU is stronger in achieving equality and therefore the positive impact is not as significant as for the BRICS countries. Consequently, the issue of achieving gender equality should be more acute for the BRICS countries.

Also, the common significant variables were the Economic Freedom Index (EFI), the level of international trade (trade), and the level of education (education); they are significant at all levels for EU countries and for the BRICS countries. In the model for the EU countries the unemployment rate was also significant at all levels, which negatively affects GDP, and in the model for the BRICS countries another significant indicator at all levels is FDI, which explains the inflow of foreign direct investment, the more of it, the higher GDP. The explanatory power is greater in the model for the EU countries.

The article tested how important it is to take measures to ensure gender equality in key policy areas to enhance economic growth, reduce losses and not worsen the gender gap.

It is worth noting that addressing this issue implies very significant economic as well as social benefits for the whole society in both BRICS and EU countries. Promoting change and building new coalitions between governments, the social sector and companies are necessary to achieve gender equality.

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Digital transformation of the global media market: in search for new media formats

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ABSTRACT

Introduction. The relevance of the study is caused by the transformation of the media market in the context of global digitalization, where traditional media are dying off and replaced by new media formats and new opportunities.

Materials and Methods. In the course of the study, general and special methods of scientific knowledge were used: systemic, structural analysis, analysis and comparison of quantitative data obtained as a result of studying the media market. The study of the digital transformation of the global media market through the prism of new media formats is considered from an economic point of view. The economic approach includes consideration of resource constraints that impede the development of new media formats, assessment of their efficiency in the context of global digitalization, pandemic threats and challenges.

Results and Discussion. The media market in the 21st century, with the advent of new digital technologies, is actively developing in new media formats such as blogging and podcasting. Pandemic threats and challenges have formed new global trends in the media sphere, for example, podcasts are gaining popularity in the modern world. The growing popularity of podcasts is characterized by the development of streaming platforms and podcast clients (podcast managers). The media market combines information and resource markets that are aimed at promoting media content in the modern world. The article analyzes the market components of the media business: media market regulators, the specifics of media formats, media products and advertising services in the media sphere. The value of the digital transformation of the media market is important both for consumers of media content, which is associated with the ability to meet individual needs, and for the country as a whole and companies in particular.

Conclusion. The authors came to the conclusion that today the high demand for new media products, new media trends, new media formats in the modern world among users of digital media content leads to the development of the media market and media business in the context of digitalization and transformation. Podcasting as a new media format provides new opportunities for the development and existence of podcasters, listeners, advertisers and other media professionals in a market economy.

INTRODUCTION

Media market is a complex of all media that create content for the needs of specific target audiences. The media market can be divided into two blocks: the resource market and the information market, where the resource market is the elements of the production of information media content, for example, finance, media materials, media texts, and the information market is a space with media products (press, audiovisual and electronic media, publications of information agencies, documentary films, etc.), which is involved in the process of buying and selling.

Since 2020, the global media market has been in a new environment related to the COVID-19 Pandemic, e-commerce, the transformation of media content and the development of new media formats. In 2020, global media trends are undoubtedly associated with pandemic threats and challenges, the digital transformation of media channels, and a giant leap in the development of online resources and streaming platforms. It was global digitalization that transformed radio during the pandemic, the consumption of new media formats has skyrocketed, from video to audio content, as a result of which audio advertising is being modified into a digital audio format.

In connection with pandemic threats in 2021, an interesting list of global trends in the media sphere can be distinguished: the politicization of social media, the development of audio formats (voice assistants, voice search, podcasts) and VR / AR (virtual and augmented realities), the strengthening of the subscription model in the media and competition among TV channels, channel trust of professional media brands on different platforms, return on investment of brands in image placements, creation of sincere content, a small number of world premieres.

MATERIALS AND METHODS

In the course of the study, general and special methods of scientific knowledge were used: systemic, structural analysis, analysis and comparison of quantitative data obtained as a result of studying the media market. The study of the digital transformation of the global media market through the prism of new media formats is considered from an economic point of view. The economic approach includes consideration of resource constraints that impede the development of new media formats, assessment of their efficiency in the context of global digitalization and pandemic threats.

LITERATURE REVIEW

The rapid development of digital technologies is becoming a defining vector for the functioning of market relations, the largest business figures are actively using the latest technologies to promote their product.

Commercial organizations are actively using the online space for the purpose of self-promotion in the market and the fight against competitors. E. B. Kmet notes that with the development of social networks, a large business solves a whole block of strategic marketing tasks, among which branding issues are mentioned, increasing loyalty to their own brand, interacting with the target audience and tracking consumer feedback [1, p. 136]. The possibility of selecting contextual advertising and automatic mailing is also noted [2]. As O. O. Nikitina rightly notes, companies that are in a situation of searching for the most effective methods of promotion, dictated by the characteristics of the free market, the high level of competition and the social consequences of the pandemic, need to quickly optimize their communication strategy, taking into account current trends in this area [3].

The media market does not stand aside either, it is changing dramatically, adapting to modern forms of communication with the audience, new areas of activity in the online space are emerging. More and more companies, combining the information and resource markets, create their own media to promote the brand. Podcasting seems to be on the rise at the moment. Many researchers emphasize that the traditional advertising campaign is fading into the background in terms of brand promotion, at least due to the availability of a web resource for companies [4]. Research by Midroll Media on podcast advertising has shown that the percentage of brand recall due to an advertising campaign in podcasts is 4.4 times higher than the effect of traditional advertising [5]. Social networks are a comfortable basis for building or destroying company brands [6]. Social media allows you to build an image of a potential consumer of a product, find out his interests, hidden desires and real needs.

According to O. S. Terentyeva and N. R. Javrshyan the advantage of podcasts compared to writing an article or editing a video is the saving of time and financial resources [7]. Repeated studies confirm that the creation of podcasts, although laborious, is an affordable process. For example, students at the University of Cincinnati College of Medicine were able to create quality podcasts without having any practical experience or special education to begin with. In describing the process of creating podcasts, the authors noted a relatively low threshold for entering the field of podcasting, the need to first obtain a unique set of technical skills for recording and editing a podcast [8]. Such skills can be acquired using online learning resources (Speech Genre Society [9] and other platforms [10]).

Pandemic threats form the foundation for podcasts to gain a foothold in the media market. Creating podcasts does not require a constant face-to-face presence – digital technologies allow recording remotely: only special equipment is required [8].

The popularization and commercialization of podcasting has led to the massive emergence of podcasts on platforms designed not only for podcasts, including streaming platforms such

as Spotify and Amazon, podcast platforms (Podimo, Arzamas), streaming platforms (Netflix, KinoPoisk) [11]. Studies note the combination of entertaining and analytical content, which at the same time is accessible to the average user [12], and the attention of researchers is also attracted by this quality, relevance and information content of carefully crafted material [13]. It is no coincidence that K. S. Fedonenko and D. A. Dubover note that "the goal of any media content in the modern world is to convey this information in an accessible, large-scale and creative way" [14].

In addition, O. N. Tomyuk et al. on the quality of the podcast [15]. This thesis clarifies the reasons for the higher popularity of large podcast platforms and streaming services. This is also confirmed by the results of a study by O. V. Shershneva, according to which podcasts of radio stations have a greater advantage in the media market than author's podcasts [16].

A feature of the sources of funding for podcasts is their variability. The creator or owner of the podcast, at its sole discretion, can choose how it will receive income. L. A. Kruglova identifies such methods of monetization as advertising (considering this method the most common), donations from listeners, a paid subscription to the platform, production of podcasts for customers and podcast platforms [17]. A. S. Nikitina concludes that funding sources depend on the chosen form of interaction between players on the platform [18].

RESULTS

The media market in the 21st century, with the advent of new digital technologies, is actively developing in new media formats such as blogging and podcasting. Pandemic threats have formed new global trends in the media sphere, for example, podcasts are gaining popularity in the modern world. The growing popularity of podcasts is characterized by the development of streaming platforms and podcast clients (podcast managers). The media market combines information and resource markets that are aimed at promoting media content in the modern world. The article analyzes the market components of the media business: media market regulators, the specifics of media formats, the specifics of media products, the specifics of advertising services in the media sphere. The value of the digital transformation of the media market is important both for consumers of media content, which is associated with the ability to meet individual needs, and for the state as a whole and companies in particular.

The media market is a dual market for goods and services, like any other, aimed at commercial results (profit), so new media formats are constantly being created to attract more attention and the maximum number of users, and thereby increase income and profit. In 1977, the American researcher D. Smythe began to assert that the "commodity" of the mass media is the audience [19]. In his opinion, mass media arise when media companies produce, design and "deliver" an audience to advertisers. D. Smythe in his concept describes a model of three interrelated elements: the media, the audience and advertisers. The market economy in the media sphere works as follows, that is, the mass media, old and new media form a mass

audience for advertisers. Interesting data for analysis can be identified by examining popular streaming platforms and their various metrics (see Table 1).

Table 1

Ranking of popular streaming platforms [20]

Rank	Streaming platform	Popular content	Supported devices	Monetization options
1	Twitch	Games, IRL	PC, Mac, PlayStation, Xbox, Android, IOS	Paid subscriptions, internal donations, advertising
2	YouTube	Games, IRL	PC, Mac, PlayStation, Android, IOS	Paid subscriptions, internal donations, advertising
3	VK	IRL	PC, Mac, Android, IOS	Advertising, donations through third-party services
4	Instagram	IRL	Android, IOS	Absent
5	OK	IRL	PC, Mac, Android, IOS	Internal donations
6	Facebook	IRL	PC, Mac, Android, IOS	donations through third-party services
7	GoodGame.ru	Games	PC, Mac	Paid subscriptions, internal donations, advertising

It should be noted that every year the number of streaming platforms has been increased, as well as the audience and the number of channels. The means of maximum information, especially new media formats, appear on the market and are regulated by disseminated mechanisms. The media market is a space where there are buyers, and a set of conditions under which you can buy and sell goods (services). The media business begins when a product can be brought before the content marketing law. It is the media market that today is engaged in the regulation of supply and demand, the creation of competition between manufacturers and between models. The market nature of the media industry means that all of its elements can be commodified and purchased in the aisle. The media industry of crime related to buying and selling also has access to observations that advertisers and sponsors are interested in. In 2021, in the context of digital transformation, it is possible to capture a large target audience in the Internet space. Today, there are several main types of online advertising:

- media advertising is aimed at placing text or graphic materials on websites, forums and portals;
- contextual advertising is a text-graphic or text block, which is displayed taking into account the content of the advertising platform. This type of advertising is well suited for introducing brands and is well received by users of Internet spaces;
- advertising in social networks is most often placed either in the form of banner and contextual ads on the user page or in the form of creating thematic communities with the active involvement of a few subscribers, that is, the interested public of consumers;
- search promotion using SEO promotion services to advertise goods or services on the intended site, which is included in the top 10 search engine results;

- publication of press releases on thematic and news sites, or article promotion. This is a sudden type of advertising, especially on prefabricated portals [21].

At RBC's request, Yoloco used artificial intelligence to analyze bloggers' social media accounts and calculate the average cost of advertising in stories on Russian Instagram (see Fig. 1).
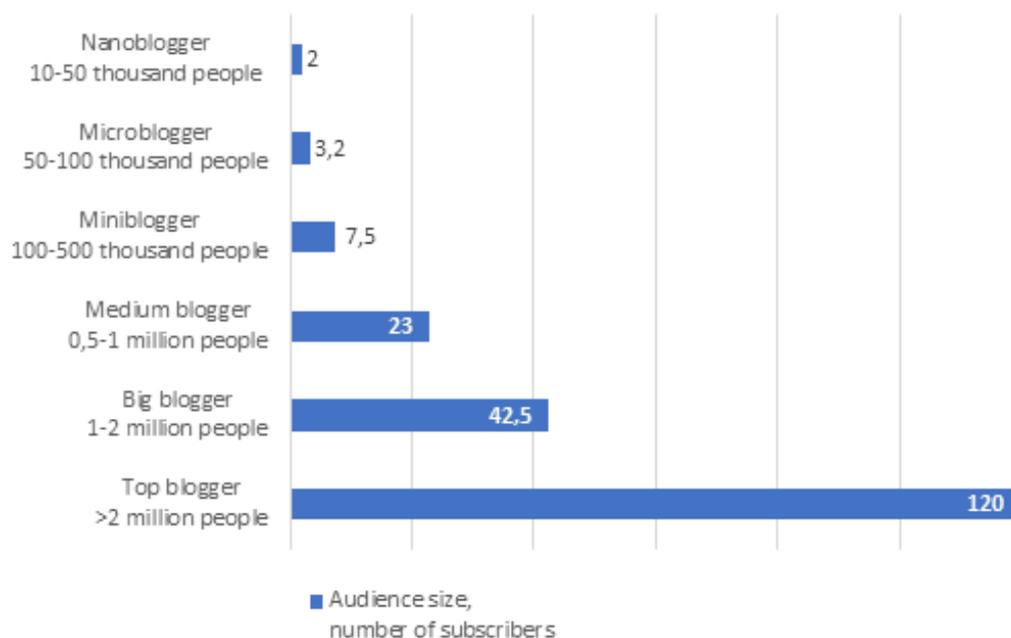
Figure 1 Median price per story [22]

Studying the global media market in the context of digital transformation, it is necessary to single out a relatively new media format – the TikTok video service with a video streaming function, which is used by almost every seventh Russian. Percentage of TikTok users by age: 10–19 years old – 32.5%, 20–29 years old – 29.5%, 30–39 years old – 16.4%, 40–49 years old – 13.9%, 50+ – 7.1%*. The target audience of TikTok has "grown up" over the past year, these are solvent users over 25 years old. This fact attracts the attention of advertisers. Large corporations such as Coca Cola, PepsiCo, MegaFon, McDonald's, Mail.ru started using TikTokers to promote their brand among TikTok users. Forbes presented the Rating of the highest paid TikTokers in Russia and the Rating of Russian bloggers who earn from advertising on Instagram (see Tables 2–3).

Table 2

Rating of the highest paid TikTokers in Russia, 2020 [23]

Rank	TikToker	Number of subscribers, mln.	Age, years old	Income in TikTok, million rubles
1	Abramov Rakhim	9.5	22	10.47
2	Saeva Dina	16.4	21	4.93
3	Savko Alexey	6.5	23	4.81
4	Gavrilina Julia	7.2	18	3.32

* Comscore, Inc. URL: https://www.comscore.com/.

5	Carnival Valya	9.1	18	3.21
6	Milokhin Danya	8.6	18	2.87
7	Verzakov Kirill and Verzakov Artem	6.9	both 23	2.56
8	Kalashnik Anna	4.7	23	2
9	Pokrov Anya	7.1	20	1.92
10	Aster Diana	6.5	20	1.44

As the TikTok platform is popular and actively gaining momentum, many advertisers have changed their strategy and are looking to promote their products and services within it. For TikTok users, the community atmosphere that the brand creates around itself is important. Recently, the feeling of being part of the TikTok community has become pervasive and motivates a large number of users to purchase goods and services that young TikTokers advertise. A more status situation can be traced on Instagram, where the most popular and richest bloggers, according to Forbes, influence a different age group of users.

Table 3

Rating of Russian bloggers who make money on advertising on Instagram, 08.26.2020 [24]

Rank in TOP-10	Blogger Instagram	Age, years old	Instagram ad revenue, million dollars
1	Sobchak Ksenia	7.7	1.48
2	Gagarina Polina	8.4	0.89
3	Galich Ida	7.1	0.85
4	Borodina Xenia	15.4	0.77
5	Levda Alina	5.3	0.76
6	Ivleeva Anastasia	17.7	0.61
7	Chekalina Valeria	6.5	0.61
8	Todorenko Regina	8.6	0.6
9	Temnikova Elena	5.2	0.6
10	Nurmagomedov Khabib	21.2	0.6

The rating of Russian bloggers who earn on advertising on Instagram in 2020 has almost completely been updated and is very different from the similar rating in 2019, where in 2019 Olga Buzova was in third place in the rating, in 2020 she did not even entered the TOP-10. In 2020, Ida Galich took third place in the ranking by launching a new Instagram show for schoolchildren "Such Parents" on "Friday!".

As part of the digital transformation, new modern devices and new modern IT technologies are an important tool for the professional and everyday life of a modern person. Media content, media texts are in high demand among Internet space users. With the advent of new IT technologies, the media sphere is acquiring new formats and new opportunities, for example, in 2020, the previously known format, the podcast, is increasing its popularity rate. Viral audio content is interesting to listeners. The audio content of podcasts, like the video content

of blogs, is open, accessible, easily perceived, relevant to society and meets the needs of the time, etc. Podcasting is an original and promising phenomenon of the modern media market.

The media market is built on profit not from the media content of new and social media, but from related activities for the sale of advertising space and time in stories, videos, podcasts, etc.

DISCUSSION

The media market, thanks to modern IT technologies, the Internet space, new media formats, has become global in the context of global digitalization and digital transformation. The rapid development of digital technologies is a defining vector for the functioning of market relations to promote their goods, products and services. We agree with the authors V. O. Karass, A. V. Diachkova that "in the conditions of fierce competition in the modern world, brands should follow modern trends in the field of advertising, especially if they focus on a younger audience" [26]. The Internet space is the main advertising platform, where advertising continues to develop and take root in various new media formats. At the same time, we emphasize the statement of E. B. Kmet that social networks in the context of global digitalization and pandemic threats and challenges solve a whole block of strategic marketing tasks aimed at brand development and brand loyalty [1]. Today, the media market offers a wide range of opportunities aimed at generating income for bloggers, podcasters, TikTokers, small and large companies due to the huge number of platforms, applications, services, social networks and various media formats that are developing every day with the advent of new digital technologies. One cannot but agree with O. O. Nikitina, who writes that companies are constantly monitoring and searching for the most effective types of advertising, promotion methods in order to adapt and optimize strategic development tracks, considering global trends and trends [3]. The media market is radically changing, adapting to modern forms of communication with users, for example, the Internet space, all this leads to the emergence of new areas of activity and new media formats. Pandemic threats and challenges in the context of global digitalization have given a new impetus to the active development of the podcast media format.

CONCLUSION

The authors concluded that today the high demand for new media products, new media trends, new media formats in the modern world among users of digital media content leads to the development of the media market and media business in the context of digital transformation. Podcasting as a new media format provides new opportunities for the development and existence of podcasters, listeners, advertisers and other media professionals in a market economy. The media market is constantly evolving due to the emergence and implementation

of new media formats that provide new ways and opportunities to get big money, which we clearly demonstrated in the Rating of the highest paid TikTokers in Russia and the Rating of Russian bloggers who earn on Instagram ads, which are presented by Forbes for 2020 As a result of the study, it should be emphasized that new media formats are positively reflected in the positive dynamics of the development of the global media market.

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Self-presentation in Instagram: promotion of a personal brand in social networks

KEYWORDS

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ABSTRACT

Introduction. The development of online marketing in social networks creates unique opportunities for personal selling. Especially these opportunities are manifested in online education when they buy a brand of an expert with experience in a particular field. That is why a competitive space is being formed in the Instagram social network, where a personal brand acts as a product or service.

Materials and methods. Studying the effectiveness of promoting a personal brand in social networks based on the Instagram platform was chosen to have great visual opportunities for self-presentation. As part of the collection of empirical material, two methods were used: a survey (N-200) and content analysis of three blogger accounts with high rates of activity and popularity.

Results and discussion. Content analysis of bloggers showed that an algorithmic feed on a social network allows bloggers to control the content. To help them, Instagram provides statistical data on user reach, thereby capturing trends in the movement of the blogger's audience. The main task of a blogger is to combine real and "virtual" images so as not to lose consumer confidence. A survey of social network users confirmed the importance of a personal brand for them. The survey also made it possible to identify the most popular audience requests that they expect from bloggers and their accounts: valuable reviews and recommendations, case studies and author's solutions, storytelling, blogger's reflections and motivating messages, live broadcasts, and stories are important.

Conclusions. The results obtained underline followers' high level of interest in the bloggers' personal brand on Instagram. The study results show that the most significant number of those involved (those who give feedback and are constantly involved in interaction with the account) is where the formation of a personal brand is built to a greater extent on the emotional level of perception of the individual.

FOR CITATION

INTRODUCTION

The modern world is highly differentiated thanks to the Internet and social networks. So, on the one hand, of course, the Internet unites various geographical spaces in one virtual space. On the other hand, the Internet forms many disparate groups within one space, and many are closed into communities of individual social networks. The market is integrating with social networks, and now the most popular of them can be found as large corporations, small shops, self-employed, individual entrepreneurs.

The Internet is a massive platform for communication in almost all spheres of human life. Until recently, the primary function of the Internet was the transmission, receipt, and storage of information. However, now, these Internet functions are shifting to the background. Today, with the help of the Internet, people can buy and sell, learn, develop, and most importantly, communicate [1; 2]. The rapid development of the Internet and the growing role of Internet communications lead to the following consequences. In the scientific community, the formation and maintenance of information need strategies for their satisfaction in social networks and other Internet sites are increasingly being raised with the legal aspect of information culture [3; 4].

In the early 1960s, practically simultaneously in Japan and the United States, the term "information society" was introduced, revealing society's objective process of awareness of the importance of information and its transformation into a real production force. E. Masuda, one of the authors of the ideology of the information society, said that, in contrast to the industrial society, where the primary value was the consumption of goods, the determining value is time [1]. That is, information is transmitted faster, and, consequently, many social processes also proceed at a different speed.

M. Castells pays attention to such an important problem of the information society as the problem of self-consciousness and self-identity [5]. Information technologies are changing the nature of social communications, the processes of socialization, representation, self-determination, and self-affirmation of the individual in creativity, professional and personal life. The modern world and market are highly differentiated, as large corporations, small shops, and individual entrepreneurs operate there. For each category, a personal brand has a different meaning, but at the same time, it has common features.

This article explores creating an individual personal brand in social networks as promoting yourself as an expert selling your own products and services. A personal brand focuses on how a person's skills, motivations, and interests are organized into a single image that can affect recognition loyalty, including career success and promoting one's expertise in any field [6].

The key advantage of social networks is the maximum opportunities for audience targeting, the focus of an advertising campaign on a specific segment of the target audience. At the same time, users have already registered on social networks themselves and reported as much information about themselves as possible: age, marital status, education, hobbies, and many

other facts. As a result, social networks collect much more information than other marketing tools, which makes it possible to work only with those users who best match the idea of the target audience.

For various types of advertising, most of the characteristics of social networks are an advantage in choosing these networks as a platform. For contextual and banner advertising, tens of millions of people every day must spend a significant amount of time communicating on social networks. Of course, for marketing, an important place is occupied by direct contact with a potential consumer.

We can formulate a specific classification of social networks:

- social networks of a general format. The Russian VKontakte network can be attributed to this group since users are not united based on specific joint activities or common interests. They are formed, as a rule, to ensure communication, communication of users with friends, colleagues, acquaintances, relatives. Users can upload photos from various events videos, listen to music, use applications, get news, etc. In connection with all this, people get the opportunity to be aware of the affairs of a friend relative, even if at a given time, for various reasons, they do not have the opportunity to meet and communicate with him in "real life." Another example of this category is Odnoklassniki, which allows people to search. Foreign social networks include, for example, Facebook, Twitter, Pinterest, YouTube, and, of course, Instagram;

- professional social networks are created exclusively for communicating with people of specific professions. Thanks to them, a person can find his employee, establish a connection with a representative of a particular organization, post certain news or press releases related to the company, and take advantage of many other opportunities. That is, actions such as posting a personal video are inappropriate. Among professional social networks, one can note the Russian "My Circle," "Professionals," "RB.ru" and foreign networks "XING" and "LinkedIn."

- social networks by interests. People can unite for such interests as music, films, love for nature, sports, etc. "Members of social networks are given a wide range of opportunities to share information, namely: communication using private messages, sharing photos and videos, general chat, blogging services, communities, etc.". In this regard, common interests serve as the basis for forming specific social networks to communicate with like-minded people. The most common networks are MySpace and Last.fm. It is important to note "MyAnimeList," whose users are fans of Japanese animation.

Let us compare the social network Instagram with such popular networks as Facebook, YouTube, Pinterest, and Twitter. Even though Facebook bought Instagram in April 2012 for $1 billion in cash and stock and supported and offered integration with Instagram, the two platforms still compete. Compared to Instagram, it is much easier to use user expectations. For example, Instagram users are happy to share pictures with minimal descriptions every day. At the same time, Facebook subscribers require more intensive participation in content creation (for example, more voluminous text). The only visually

superior social network compared to Instagram is YouTube. 52% of people are more confident about a product when watching a video about it. The probability of buying a product when watching a video increases by 74%. Pinterest is based on the same use of images as Instagram. However, the main difference is that Instagram allows editing the image directly in the application before using it, while Pinterest is a traditional website for sharing ready-made photos. Instagram and Twitter also have more similarities than differences. In terms of time and energy, while Instagram does not require communication after posting an image, Twitter users expect dialogue and participation, sharing, commenting, and replies to those comments.

Social network users are increasingly involved in active activities within social networks, and for many users, networks such as Facebook, Instagram, VKontakte have become an inseparable part of their lives. Moreover, this gives marketers ample opportunities to promote the company's products and form an appropriate image through direct contact with the target audience.

LITERATURE REVIEW

A personal brand focuses on how a person's skills, motivations, and interests are organized into a single image that can affect recognition loyalty, including career success and promoting one's expertise in any field [6].

The concept of "personal brand" has not yet been formed, and this process continues. It is advisable to refer to the concepts of "brand" and " product " to highlight its key features.

F. Kotler defines a product as "everything that satisfies a need." A personal brand as a carrier of unique knowledge and professional skills can be identified as a product. The most common definition of a brand is provided by the American Marketing Association, which reads as follows: "A name, term, sign, symbol, or design, or a combination of all of these, intended to identify the goods or services of one seller or group of sellers, and also to distinguish goods or services from goods or services of competitors" [7].

The above definitions are important for the authors of the book "Personal Brand" A. Ryabykh and the director of the PR agency "ZebraCompany" V. Danilova (Nika Zebra), who presented in their book the following definition of a personal brand: Images (promises, expectations) that appear in the minds of other people from a specific person [8]. In addition, when defining a personal brand, V. Danilova uses the definition of Self-branding, which is formulated as follows: "Transformation of personal individuality into a recognizable conceptually unified brand," [9] i.e., promotion of oneself as an already widely demanded specialist.

A. Kichaev also considers a personal brand from a similar point of view [8]. He defines a personal brand as "a set of your personal and business qualities that indicates your usefulness and interestingness. This is the image (idea or emotion) that has developed in other people's minds, in which their experience and expected benefits from interacting with you are expressed.

Peters T. believes that a personal brand is an image of a person, his personality, which other people see and perceive. So, in the definition of a personal brand, the emphasis shifts towards a person's individuality, qualities, and talents.

Thus, V. Danilova and A. Kichaev, speaking about a personal brand, to a greater extent shift the focus towards the individuality of people, their abilities and talents, which are reflected in a personal brand, and which allow a person achieving heights in the chosen field of activity. Other authors focus on the created image, which is shown to the consumer and society as a whole.

The authors of the book "Personal Brand: Creation and Promotion," A. Ryabykh and V. Danilova, also identify areas of activity for people who need to build a personal brand [10]. These are politicians, officials, entrepreneurs, representatives of show business, athletes, people of creative professions, top managers, and employees. Thus, the circle of people who should take their personal brand seriously is clearly outlined, while it cannot be said that people who are not representatives of these professions do not need to pay attention to their brand at all. Of course, the circle of those who should develop their personal brand is not limited to these categories of people. In this case, people can instead use the tools to create a personal brand but do not shift their focus to its constant maintenance.

V. Kovalev, Technical Director of the international payment system Paymentwall, quite accurately notes that "a personal brand is a concept intuitively understandable, but difficult to explain in words. It consists, first of all, of personality – of how it interacts with other people. The more people's personality can influence and inspire, and the faster and more effective personal brand will grow" [11].

Thus, a personal brand consists of two main components – reputetion and reach. Reputation is the foundation of any brand. Reputation is earned over the years and maintained throughout the entire period of the brand's existence, both the manufacturer and the individual as the bearer of a personal brand. The fame, that is, audience reach can be a negative indicator of a bad reputation and vice versa.

A brand is a set of information that distinguishes a company or individual from competitors. A personal brand is an image in which people see and perceive a person. It usually consists of behavior in real life, how it is presented in the media and what information people receive on the Internet. Recently, this factor has become the most significant, as people can get to know a person closer without distorting information by third-party news sources.

A brand should give a product or service identity and uniqueness, and it should strengthen the company's image and increase trust and usefulness for customers [11; 13; 14]. Only these qualities are projected onto one person, which is called a product in a broader context. Hence, a "person" is a product, and personal brand is everything others unconsciously think about pearson.

Reputation is a constant collective assessment and image imprinted in people's memory. All this is formed over a relatively long period, mainly if the strategy is aimed at increasing reputation. Not surprisingly, it can be spoiled much faster than improved.

A personal brand should not be a false image of a person, created only for marketing purposes [15; 16]. It is important to be real everywhere – online and in real meetings.

The further the path to the brand goes, the more people are convinced of a person's competence. The more substantial public recognition, the more customers will trust and happily buy something from this person. Thus, a personal brand is made up of interactions with other people. The more people a person can influence, the faster and more effectively a person's personal brand will grow.

Identity is originally a social formation. The individual sees (and therefore shapes) himself as others see him. The presence of an everyday symbolic basis (language, gestures, symbols) in the social experience of communication participants makes it possible to adapt the actions of various human individuals to each other within the framework of the social process. The American sociologist C. Cooley, developing this idea, also gave the concept of identification. Identification is a reflection of the properties of a person through which he is perceived in society, in a group of which he is a member [17].

Consider the elements of a person's personal brand from the point of view of Aaker's brand identity model [6]. According to D. Aaker, identity is based on the brand's essence. Therefore, a person's identity is related to the fundamental characteristics that make them who they are.

The perception of personality by other people is an important element in forming a personal brand. Understanding this topic is an auxiliary key to determining a strategy for promoting a personal brand. A. Piterova and A. Medvedeva, in their work, considered five levels of perception of the personality by people around them [18]:

1. Emotional level. Any person can count the emotions and mood of a particular person.

2. The level of uniqueness. Each person has unique traits: character, appearance, gait, communication style, clothing details, talents, speech, and abilities.

3. Personal level. This level includes the values, principles, and qualities of a person – the essence of personality.

4. Behavioral level. At this level, a person evaluates all the inherent details in a person. At this level, manners, movements, facial expressions, gestures, voice intonations, grooming are considered – these characteristics can form the first impression of a person in 30-60 seconds.

5. Personal identification. Characteristic image of a person: hair, jewelry, clothes, tattoos, lenses, and any other details that identify a person.

A. Morgan presented a set of several personal qualities that should be reflected on the page of a social media platform when developing a personal brand [19]:

1. Impression or charisma. A person with developed charisma can quickly win the loyalty of the audience.

2. Relationships in the team. How does a person manifest himself within the team, what kind of relationship does he have with the team.

3. Propensity to take risks and the ability to benefit from it.

4. Firmness of character, the ability to express one's own opinion, despite the public.

Morgan's set of personality traits helps to emphasize the formation of a personal brand.

Personal branding is how people present themselves to the audience as a brand [20]. Thus, personal branding is a competent step-by-step plan for development within a public society. In the case of professional development, the plan for building a personal brand may include marketing, expert development, promotion strategy, and public communication [21].

MATERIALS AND METHODS

This article presents an analysis of the attitude of Instagram users to self-presentation in this social network as a tool for promoting a personal brand. This task was carried out through a survey. The object of the survey was users of the social network Instagram, i.e., personal brand consumers. For the study, an online survey form was chosen, which can be explained by the chosen topic, which is related to social networks. A total of 200 respondents took part in the survey. The sample type is non-random selection. The sampling method is a snowball.

The results obtained with the help of the survey allow drawing a picture of consumers' attitudes toward a personal brand to the social network Instagram as a tool for promoting a personal brand.

In addition to conducting a survey, it was decided to turn to a research method as content analysis. The purpose of the content analysis was to determine whether personal brand elements can be traced in bloggers' accounts based on their posts on the social network Instagram.

According to the survey results, several people were identified whose personal brand was noted by the respondents as strong. However, it was decided to evaluate the reflection of elements of different levels of perception of the personality in those blogs that belong to those who consider themselves to be experts who create and subsequently sell social media promotion courses, the programs of which contain, among other things, sections on personal branding. Thus, three bloggers were selected for the analysis: Alexandra Mitroshina, Margarita Savchuk, and Polina Pushkareva. All of these bloggers have an audience of over 500,000 subscribers. Characteristics of bloggers:

- Alexandra Mitroshina – 2.5 million subscribers (May 29, 2021).
- Polina Pushkareva – 962 thousand subscribers (May 29, 2021).
- Margarita Savchuk – 609 thousand subscribers (May 29, 2021).

The following categories were taken: the presence of personal brand elements in the texts, personal brand elements in the photo, the number of "likes," the number of comments. The unit of content analysis was publications (text and visual component).

The personal brand elements in publications were analyzed according to the levels of perception of a person by others:

1. Emotional level: emotions and mood.
2. Level of uniqueness: personality strengths, personality weaknesses, character and temperament, appearance, clothing details, communication style, talents and abilities, education, speech.

3. Personal level: values, principles, qualities.
4. Behavioral level: manners, movements, facial expressions, gestures, voice intonations, grooming, accuracy.
5. Personal identification: attributes and characteristics of the image associated with a particular person (piercing, tattoos, colors in clothes, glasses, etc.).

RESULTS AND DISCUSSIONS

If Instagram is chosen as a platform for promoting a personal brand, then, according to the respondents, the following types of content should be used first of all. In descending order from most important to least important:

1. Useful reviews recommendations. This answer is approved by 62.5% of respondents.
2. Cases and their author's solutions or comments on them. 56% of the respondents agreed with this.
3. Storytelling. 48% of respondents noted this type of content is important.
4. Reflections on topics close to the scope of the blogger. 21% of respondents agreed with the importance of this type of content.
5. Stories about what motivates, inspires, makes laugh, etc. 19.5% chose this option.
6. Broadcasts, live broadcasts, and stories from various events and events. 19% of respondents agreed with this choice.
7. "Backstage" – photos, videos, and stories about any process that "remained behind the scenes." 16.5% of respondents preferred this type of content.
8. Opinions about important events in the country, the world, the city. 15.5% of respondents said this type of content is vital for promoting a personal brand on Instagram.
9. Publications about family relatives. 12.5% of those surveyed agreed that this is important.
10. Video tutorials. The least effective, according to respondents, in promoting a personal brand (8.5% of respondents agree with their importance).

Interestingly, men were 20.6% more likely than women to choose "storytelling" (stories from personal life, facts from the past or present, memories) as the type of content that should be used when promoting a personal brand on Instagram. Women are closer to stories about what motivates, inspires, makes laugh, etc. (22.3% versus 13.1% for men), reflections on topics close to the blogger's field of activity (24.5% versus 13.1% for men), broadcasts, live broadcasts and stories from various events and events (23.7% versus 8.2% for men). Men are more inclined to think that, first of all, it is necessary to use cases and their author's solutions or comments on them (68.9% versus 50.4% for women).

Respondents with different financial statuses have a difference in opinion when choosing content to promote their brand on Instagram. Thus, valuable reviews and recommendations were most chosen by those with enough money for food, but buying clothes causes difficulties (86.4%). Respondents who do not experience difficulties with money are more likely to think

that it is worth using cases and their author's solutions or comments on them in the first place. This fact is because they can be highly paid experts in some field or have their own business. Therefore, they are interested in the experience of others, the study of cases, and the author's solutions, for example, competitors.

The survey results also showed that 64% of respondents consider it necessary to promote a personal brand both for the owner or head of the company and for the key employee of the company and an expert in any business. At the same time, men were three times more likely to say that they consider this activity necessary for the owner or head of the company (37.7% versus 11.5% for women).

We can expect various bonuses from promoting a personal brand on social networks. More than half of the respondents (57.5%) noted that they could expect all the bonuses listed in the question, including strengthening the company's brand, customer loyalty, and loyalty, increasing the value of services, the richness of professional connections self-confidence. One person expressed the opinion that no bonuses should be expected. There were no significant differences in responses by gender.

When studying the trust in the types of information when choosing a product or service, it is worth noting that most often, respondents rely on the recommendations of experts in this field (72.5% of respondents), recommendations of acquaintances (68.5%), information posted on behalf of the company (35.5%). Recommendations of famous personalities are trusted by 9.5% of respondents. One person trusts the reviews, and another is based only on his own experience.

It should be noted that only female respondents were inclined to trust the recommendations of famous personalities; this can be explained by the fact that women, in general, are more interested in representatives of show business.

There is a tendency with increasing age to give up trust in famous personalities' recommendations in favor of acquaintances' recommendations. A person often becomes closer to family friends, and his social circle narrows with age.

More than 60% of each occupational group trusts recommendations from acquaintances. However, employees still show the highest level of trust. 80% of the unemployed noted that they would trust the recommendations of famous personalities when choosing a product, and all the unemployed answered that they would trust the recommendations of experts in this field.

Respondents who do not experience financial problems in 50% of the answers indicated that they consider it necessary to promote a personal brand in social networks for the owner or head of the company. In comparison, this option was chosen by no more than 27.6% of representatives of other groups by financial situation. This fact may be because, those who can afford to buy a new car have a relatively high level of income and, consequently, a good job, or they are owners or managers.

The popularity of bloggers on Instagram in various sources is often attributed to their strong personal brand, with which 76.5% of respondents agreed.

More than half of respondents say that companies come to mind whose success is directly related to the personal brand of its leader or employee. So, they list more than forty personalities, but the following are most often mentioned:

1. Elon Musk and his Tesla car – 13 times.
2. Steve Jobs and his Apple company – 12 times.
3. Pavel Durov, creator of the social network Vkontakte and messenger Telegram – 6 times.
4. Anastasia Mironova, founder of the IRNBY sportswear brand, sports training courses – 5 times.
5. Alexandra Mitroshina, Instagram blogger, creator of the Instalogy course – 5 times.
6. Oleg Tinkov, Russian entrepreneur, founder, and chairman of the board of directors of Tinkoff Bank – 4 times.
7. Mark Zuckerberg, founder of the social network Facebook – 3 times.
8. Bill Gates, creator of Microsoft – 3 times.
9. Polina Pushkareva, Instagram blogger, creator of the Managerial course – 2 times.
10. Margarita Savchuk, Instagram blogger, creator of the Managerial course – 2 times.

A solid personal brand, an Instagram user, pushed 38% of respondents to buy a product service, 29.5% did not have this, 32.5% found it difficult to answer this question. 46.8% of female respondents purchased a product or service due to the influence of a personal brand, while only 18% of male respondents gave a similar answer.

Respondents named the names of those who, in their opinion, have a strong personal brand, and it is these that explain why they purchased their goods or services.

So, for example, the reason for buying goods from the IRNBY sportswear brand, owned by Anastasia Mironova, is that respondents say they read about her self-development and personal growth and believe that she achieved everything herself often saw the clothes of her brand in stories Anastasia. Buying a set of cosmetics from the same blogger is explained by the fact that she made a good advertisement and showed the stages of skincare by her example. The respondents note that it is competent in quality matters not only for its products but also for goods in general. Therefore, when buying cosmetic products, they are sure that Anastasia is selling them a quality product.

Buying a design course by Margarita Savchuk is explained by the respondents for such reasons as her presentation convinced them of the product's value. They describe her as an emotional girl who is sincerely proud of her product and says that the soul is first of all brought into it.

Respondents explain the purchase of courses and webinars from Alexandra Mitroshina because they like her as a person. They believe that Alexandra has achieved success. She shares her life path on Instagram, gives advice, recommendations makes sure that its products contain less water and more material of real value.

The fact that respondents purchased courses from blogger Polina Pushkareva is explained by the fact that she is very straightforward, does not stand on ceremony with problems, solves them, and tells her story of becoming one of the leading representatives of the information business in Russia. One of the respondents recommended referring to Polina's Wikipedia page.

Since all respondents are Instagram users, it was interesting to find out if they are promoting their brand through self-presentation on this social network. Approximately a quarter of respondents (25.5%) answered positively to this question, but more than half (58%) still avoid this topic. It is worth clarifying that among female respondents, in percentage terms, there are almost twice as many of those who are promoting their brand on Instagram (29.5% of women versus 16.4% of men). With the age of the respondents, the number of those who promote their brand on Instagram decreases; instead, this is due to a change in their interests, occupation, etc. In addition, according to the survey, it turned out that employees are the least engaged in promoting their brand on Instagram.

CONCLUSION

A personal brand helps to share ideas, thoughts, and opinions with a large audience and increases the loyalty of both existing customers and the trust of new ones. Thanks to the brand, the environment values a person higher. Promotion in social networks is an innovative marketing tool that significantly influences the target audience. Promotion in a social network is practically the only marketing tool that provides a unique opportunity to focus tens of thousands of potential consumers around one online community.

Users spend a considerable amount of time on social networks, getting to know each other, communicating, exchanging audio recordings, photos, and video files. Social networks contribute to people's rapprochement, providing an opportunity to overcome territorial and temporal barriers to stay in touch with friends, relatives, and relatives without being at a computer monitor, smartphone in home, office, or other convenient places a given time.

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The impact of globalization, foreign direct investment and trade openness on poverty: a case study of Pakistan

KEYWORDS

impact of globalization;

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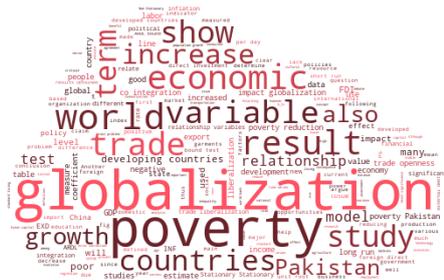
ABSTRACT

Introduction. The central purpose of this study is to estimate the impact of globalization on poverty in Pakistan. Poverty is world massive curse in the previous and present years. Different organizations and institutions of the world are struggling to eliminate it from the world. Globalization and poverty is corresponding in the world and similarly in Pakistan.

Materials and methods. We used time series data from 1970 to 2019 and assigned autoregressive distributed lag (ARDL) model approach to take out empirical results which indicate that Foreign Direct Investment, Trade Openness, and Gross Domestic Product. The ARDL model is one of the most common dynamic unrestricted model in econometric literature.

Results. We summarize that globalization has dominant positive influence on poverty and economic growth and considerably decreased level of poverty in Pakistan. Improving trade openness, FDI, and GDP are the central and dynamic for reducing poverty in Pakistan. It indicates that there is tight association between globalization and poverty in the context of Pakistan.

Conclusions. This study proposes that utilizing globalization as an instrument and putting together such policies that primarily for the poor's will help government to eradicate poverty. Although liberalization has contributed to poverty reduction, most of the developed countries have not so much liberalized their economies by maintaining their immigration laws, which discourage the immigration of labor from developing countries including Pakistan. Therefore, we would like to present the following recommendations for policymakers. Pakistan trade is still limited to specific countries. Pakistan has needed to explore its trade to other countries markets. The government should grab measures to revise its immigration laws, structural reforms, policy regarding trade openness, import exports and poverty at macro level, because immigration laws play a very crucial role and the impact of trade openness on poverty is the most significant one. Pakistan should pay some considerable attention to employment creation. Pakistan should pay reasonable interest to improve law and order situation to captivate international business community to invest in Pakistan. Pakistan trade is still limited to specific countries. Pakistan has needed to explore its trade to other country markets.

FOR CITATION

INTRODUCTION

Globalization is the result of advancements in communication, transportation, and information technologies. It describes the growing economic, political, technological, and cultural linkages that connect individuals, communities, businesses, and governments around the world. In recent years the term globalization has been used enormously by media and academics however, it is not a new phenomenon. Human societies across the globe have progressively established closer contacts over many centuries, but recently the pace has dramatically increased. Jet airplanes, cheap telephone services, email, computers, huge ocean going vessels and instant capital flows have made the world more interdependent than ever. The concept of globalization has many definitions. It can be defined in political, social, and economic terms, for this study, globalization is defined in terms of economic.

It is defined as a power in international economics, growth in global economics, wider intelligence, and the increased scale and level of economy with relation to world boundaries [10]. Globalization is the broadening, political, economic, and cultural interaction among the countries of the world, or it is the process of global economic, cultural and political integration or globalization is the system of interaction among the countries of the world to develop the global economy. Also, we can say globalization refers to the integration of economies and societies all over the world. It involves technological, economic, political-cultural exchange made possible largely by advancement in communication, transportation, and infrastructure.

Globalization has made the world a global village. It is due to globalization which changes the development of many countries like China, Malaysia, Singapore, Indonesia, and so on. Globalization has a significant effect on culture, on poverty, on the environment, on prosperity and peace in the world, on economic development simply all over the world.

Although globalization term is new from the beginning of the world, people are cooperating in different shapes, of the trade like barter system in which they exchange goods with goods or goods with services, for the business purpose they traveled from one part of the world to another. The tendency towards globalization could be seen during the period of liberalization of the 19th century; much economic organizations like GATT, SAARC, and the European Union are working for free trade. Many governments have adopted trade liberalization to accelerate the economic pace. Many countries rapidly increase their production through worker's skills, potential, and innovating new ways of opportunities of enhancing their capital market, and investment in the world learning from the developed countries [20].

After becoming the world globalized people are now investing in real estate enterprises and also trying to get benefits from third-world countries like Burma, Ethiopia, which are facing some serious issues of economy, lack of education, malnutrition. This current wave

of globalization has opened every country's economy for the world internationally and domestically also. Many organizations like GATT, SAARC, IMF, European Union, and WTO are working on trade liberalization and negotiated a dramatic reduction in quotas tariff trade barriers and have settled agreement to enhance free trade of services, promote goods and investment. After world war world, people feel that there should be an autonomous body that should play a role in reducing conflicts between countries in the world. In this sense, united Nations organization came into being in 1945 for peacemaking and other necessities of life such as providing education to the whole world working for the rights of societies in the world and so many other factors that affecting the people, like poverty in many countries of the world [47].

Globalization is currently a popular and controversial issue, though often remaining a loose and poorly-defined concept, sometimes too comprehensively. The term is used to encompass increases in trade in liberalization policies as well as reductions in transportation cost, technology transfer. As for its impact is concerned, discussion of globalization tends to consider simultaneously its effects on economic growth, employment, and income distribution – often without distinguishing between countries and within-country inequalities and other social impacts such as opportunities for poverty alleviation, human and labor rights environmental consequences and so on [17].

Induced the concept of globalization raises many questions and controversial issues some argue that globalization is a positive development as it will give rise to new industries and more job in developing countries. Others say globalization is negative in that it will force poorer countries of the world whatever the big developed countries tell them to do.

So we can say that there are many arguments for and against globalization. Should we be asking ourselves why many items produced in developing countries are so much cheaper than goods produced and developed countries? Do you know how much they get paid for their labor?

Are we familiar with their lock are protection and benefits in the workplace? Are we aware of the environmental impacts of production in developing countries? These all questions arise due to globalization.

1. Poverty

Poverty can be defined as, a state or condition in which a person or a community lacks the financial resources and essentials for a minimum standard of living. Poverty has many faces, such as hunger, lack of shelter, being sick and not being able to see a doctor, not being able to go to school, not having a job, losing a child to illness, powerlessness, lack of representation, and freedom. Technically poverty is "the inability to retain a minimal standard of living,

measured in terms of basic consumption needs or some income required for satisfying them world bank [47]. Most often poverty is a situation from which people want to escape.

Poverty level in a country or society is an important measure of the standard of living of the citizens. Poverty is multidimensional and it is characterized by lack of income and no fulfillment of basic needs, like education, health, the standard of living, etc., and by lack of access to social infrastructure vulnerability. Although a great deal of research has estimated income or expenditure-based poverty lines, there has been little systematic research on who the poor are and how they relate to globalization. It is extremely difficult to arrive at a tight estimate of the extent of global poverty at any point in time. Major World Bank reports issued within a couple of years of each other have provided estimates of the dollar-a-day headcount that differ by tens of millions of people. This reflects the difficulty of the task. Another difficulty is determining the most appropriate cutoff income for extreme poverty. The $1 a day line was first set in 1987 dollars, and for years the standard was $1.08 in 1993 U.S purchasing power parity. In 2008 the equivalent line was reset at $1.25 at 2005 purchasing power parity. The systematic poverty estimates [available as of early 2014] show that in 2010 some 1.22 billion people lived below $1.25 per day and some 2.36 billion below $2 per day. The number of people living in $1.25 per day income poverty fell from about 1.94 billion in 1981 about a 37% reduction in the headcount. The drop in the number living on less than $2 per day was much smaller –under 8%- but this more modest decline was partly due to people whose incomes had crossed above the $1.25 per day, though remained below $2 per day.

According to a report submitted by the ministry of planning and development in the national assembly of Pakistan about 29.5%Pakistanis lived below the poverty line which translates into 55 million people. There may be differences in the precise measurement of poverty but it is widely believed that the incidence of poverty in Pakistan has increased during the decades of the 1990s. According to some studies based on the impact of liberalization on poverty in Pakistan, the caloric-based poverty has doubled from 17.4% in 19987-88 to 32.6% in1998-99. Similar results are obtained on approaches based on basic needs and poverty of opportunity trends. Social indicators such as literacy rate, infant mortality rate, population growth rate, access to water nutritional intake, etc. all corroborate the above finding that poverty and weak social and human development are not only an unacceptable level in the absolute terms but also have worsened over the last decades.

Poverty is being a major issue since the evolution of mankind. Today, it has become a big phenomenon. Poverty reduction has always been an important objective for any country or nation.

Since especially the 80s, the world economy has become increasingly connected and integrated on the one hand the decreasing transportation costs and the diffusion of information

and communication technology have implied a past downgrading of the concept of distance while on the other hand gross trade, foreign direct investment (FDI), capital flows and technology transfers have risen significantly. In most developed and developing countries, the current wave of "globalization" has been accompanied by increasing concern about its impact in terms of employment, poverty, and income distribution. So whatever definition and indicators are chosen, the current debate is characterized by an acrimonious dispute between advocates and critics of globalization. For instance, the optimists underline the link between increasing trade and economic growth, and then they conclude that trade is good for growth and growth is good for the poor (both in terms of job creation and poverty alleviation). In contrast, the pessimists show that globalization is quite uneven in its impact and gives rise to negative counter-effects on the previously protected sectors, the marginalization of entire regions of the world economy, and possible increases in within country income inequality (WCII). Another example of this kind of diversity of opinions is the debate about poverty indicators: supporters of globalization underline the fact that worldwide absolute poverty has decreased over the last few decades, an open trade regime increases welfare and income by allocating resources in production and consumption through reorienting resources to the areas of comparative advantage. Liberalization affects the growth through the level and efficiency of investment in a several ways;

While critics of globalization show that this results are almost entirely due to statistical artifacts and the fast growth of China, and few other countries. While absolute poverty has increased in many developed and less developed countries and also relative poverty has increased in the majority of countries [29].

As several developing countries in East Asia and Latin America have benefited the most from the private capital flows and emerged as major participants in globalization. like many other developing countries, Pakistan has also attempted to open its economy for foreign investment and trade. The impulse for the liberalization comes from the need to adjust in the unsustainable current account deficit in the late 1980s that the country faced as a result of the declining demand for its export due to the recession in the individual countries. To reduce the current account deficit, external assistance was sought from IMF/world bank, which they provided by formulating structural adjustment programs and placing policy conditional ties in these programs.

As it is clear that globalization plays a vital role in every field of life and affects every aspect of our daily life activities. Nowadays world is global village. Developed and developing countries depend on each other. Globalization increased international trade and also make it possible that everything is available to everyone. While poverty is the world's biggest curse in the past and present. Especially all over the world developing countries face the problem

of poverty. Pakistan is also a less developed country and the main problem which is facing nowadays Pakistani is poverty. Different organizations and institutions of the world are trying to eradicate it from the world. Globalization and poverty are related to each other all over the world. So it is very important and essential to study the impact of globalization on poverty.

2. Significance of the study

The existing literature estimated the empirical relationship of globalization impact on poverty with some other social and economic variables using secondary data and primary data. While trade openness, foreign direct investment, and inflation are the key variable that directly affect the poverty in Pakistan with the context of globalization. So following study will estimate the dynamic relationship of trade openness, inflation, foreign direct investment and poverty with the context of globalization in a case of Pakistan. Study will also use some other variables (population growth, and external debt ratio) to measure the impact of globalization on poverty in Pakistan. In this study, we will try to shed some new light on the matter by extending the work. There should be some changes made to the index as well as to the data and the approach we take to relate poverty to globalization.

3. Objectives of the Study

As the current study, focuses on the impact of globalization on poverty in Pakistan. The main objectives of this study are stated as under:

1. To find out the impact of globalization on poverty in Pakistan.
2. To trace out the relationship between poverty and globalization in Pakistan.
3. To study whether globalization helps in poverty alleviation in Pakistan.
4. To suggest measures how to reduce poverty

LITERATURE REVIEW

The primary and foremost aim of this study is to focus on the impact of globalization on poverty in Pakistan. Various authors and researchers in the past and present from different parts of the world have conducted studies on this topic and derived their conclusions. Keeping eye on the existing gaps and previous research an overview of their work is presented in the following paragraphs.

Zaidi apt a new measure of rural and urban poverty trends between 1884 and 1987. Zaidi observed that poverty is showing an upward trend in Pakistan and is associated with many factors. The paper improves on previous estimates of poverty in the1980s and constructs the

poverty line which takes cognizance of differences in the cost of living between rural and urban areas and between towns and large cities.

Hameed and Nazir [11] studied to examine the effects of economic globalization on poverty and equality. They used secondary data of the Pakistan Economic survey from 1970-2004 and applied vector error correction model (VECM) and granger causality point estimation to find the results of the study. They took poverty, unemployment rate, trade liberalization, gross domestic product, and per capita income as variables of the study. They observed that globalization is much helpful in resource utilization, change the living standard and also has a positive impact on the economic development of the economy but increases the level of poverty. They recommended that policies should be made for the improvement of poor people and also invest in such sectors that increase the opportunities for jobs.

Mainkhail [29] stated poverty is a state where people are unable to satisfy their basic needs which are mandatory for their survival. It breeds crimes, frustration, moral degradation, and bribery which dismantle civilization and produce malnutrition followed by infectious diseases and so on. Sociologists, philosophers, and economists had different views over poverty. They believe it cannot be described rather felt.

Awan emphasized that globalization has benefited developing countries in many ways. It provided the opportunity to avail the new technology and new invention produced by the developed countries. It enables the business organization of developing countries to be competitive. The Capital moved from developed to developing countries while labor moved from developing countries to developed countries. It is commonly asserted that integration into global markets offers the potential for more rapid growth in poverty reduction for poor developing countries.

The book of the International Forum of Globalization with the title "Does globalization help the poor?" answers this question with a confident "no". The back cover of Bhalla's book, "Imagine there's no country: poverty, inequality and growth in the era of globalization", asks: "Who has gained from globalization?" and answers with equal confidence: "the poor". Yet readers of neither book will come away from any wiser about the answer to these questions than when they started Ravaillon [35].

Watkins [46] reached a similar conclusion that increased trade is not associated with a systematic tendency to increased inequality. Another more serious problem, Watkins states, is the problem concerning what is being measured. The implicit assumption Dollar and Kraay [2] make that trade liberalization is responsible for successful integration, with success defined as faster growth and poverty reduction, is little more than a speculative leap of faith.

Countries such as China, Thailand, and Vietnam may be premier globalizers. They also have a strong record of economic growth and poverty reduction. Yet they have liberalized

imports very slowly and still have relatively restrictive trade barriers. Conversely, countries such as Brazil, Haiti, Mexico, Peru, and Zambia have been world-beaters when it comes to importing liberalization, but have a weak record on growth and poverty reduction. In short, many first-rate globalizers have fifth-rate records on poverty reduction [46].

Wade uses the same arguments as Watkins [46] and also doubts the fact that globalization is a positive force for poverty reduction. He doubts that the rising quantity of trade and the developmental benefits thereof are the consequences of trade liberalization. Finally, he questions the assumption that fast trade growth is the major cause of good economic performance.

We should not be too optimistic that globalization will catalyze the development of smallholder agriculture, although non-green revolution developing countries, smallholder agriculture potentially has a massive strategic contribution to make to poverty reduction. A successful green revolution provides a strong plate form from poor countries that can engage with globalization. The globalization group of developing countries in which poverty is now falling quite sharply is largely those in which a green revolution has occurred [20].

The impact of economic reforms and trade liberalization on the agriculture exports performance of Pakistan suggested that agriculture export performance is more sensitive to domestic factors. In compliance with the requirement of the WTO agreement Pakistan has fulfilled almost all aspects of the agreement.

After the phase-out of multi-fiber agreement in 2005, and subsequent quotas and restrictions applied to China's exports EU and the US, competitor countries such as Bangladesh, Vietnam, and Turkey were benefited. The exports from these countries grew as exports from China were limited. High import duties reduced advantages this advantage for India. However, China to date is a major power in the garments industry with the maximum exports worldwide. It can provide a decent quality garments at a lower price, in comparison to India, the buyers of garments currently prefer to source from China than India. This is due to various positive factors for China., such as better infrastructure, shorter lead time, better-trained labor, favorable labor law, high labor productivity abundant raw materials and mass production which lead to economies of scale.

Globalization is responsible for the collapse of most garments industries in Nigeria in general and Kano state in particular. This is because the phenomenon of globalization has resulted in industrial closures, under capacity production, unemployment, stagnation, and backwardness in the industrial sector as well as over-dependence on imported garments products from already industrialized counties of the world. Thus it can be concluded that globalization has serious negative consequences on the garments industry in Kano state.

Globalization reviews and measures the effect of economic globalization and its real impact on sovereignty, international range of wealth, and global trade. Also, it can be anarchic

national economies; it adjusts the sovereignty and possession of rights in open trade. Finally, it combines economic policy with business relations and political displeasure [45].

Moreover, another important consequence of globalization is financial liberalization, which declares a financial system for government economic development in the case of improving economic opportunities, reducing capital costs; Governments allow globalization by reducing and liberalizing restrictions on the domestic market and financial [32].

Both liberalization and globalization have a financial impact on sovereignty. Internal liberalization limits the national economy and took the event and accountable the mark power. External liberalization reduces control over foreign trade and finance used abroad and is a known alternative to globalization policies. The role of the state will be decreased because of the limited power on its economy. The state can have both active and reactive reduced capacity to control society. "Active" is the policy term in the business sector and practices the construction of globalization

One of the authors is Agйnor [1]. In his paper, he examines the extent to which globalization affects the poor in developing countries. He defines globalization in terms of trade openness and financial openness, respectively measured as a tariff revenue imports ratio and foreign direct investments. He argued that the exports and imports relative to GDP measure should be excluded from the trade openness component because of its excessive sensitivity to short-run fluctuations. He then tested the presence of a non-linear relationship between openness and poverty. To assess the relationship, he used a cross-country regression framework, using unbalanced panel data for 30 developing countries. His results show that there appears to be a reasonably robust inverted U-shape relationship between poverty and globalization. At low degrees of globalization, globalization does hurt the poor. However, at higher levels, globalization leads to a decline in poverty.

Jagdish Bhagwati argues that globalization influences poverty through its influence on growth. He points out that some types of growth will help the poor more than others, depending on the presence of other factors including policy distortions that reinforce or reduce the effect of growth on the poor. It is also clear from his analysis of the link between trade and growth that the effect of globalization on growth could vary across countries and over time for similar reasons. Above all, he argues, since trade and other policies, as well as their outcomes in terms of growth and poverty, are endogenous, it is hard to draw valid inferences without a well-specified analytical and econometric framework.

Heshmati [14] is the first to relate poverty and inequality to a different definition of globalization, or more precisely, an extended definition. He used a globalization index proposed by AT Kearney / Foreign Policy Magazine [2002, 2003]. It is the first attempt to construct a database and to compute a composite globalization index. The index is composed

of four main indices: economic integration, personal contacts, technological connections, and political engagement, measured by 13 indicators.

Heshmati [15] has used this index to measure the relationship between income inequality, poverty, and globalization. By making use of panel data to compute globalization index and conducting cross-sectional regression analysis he shows that there is an indication that the relationship between globalization and income inequality, measured as the GINI coefficient, is negative, meaning that high globalization relates to low-income inequality. His findings are, however, statistically insignificant. The same applies when the relationship is tested for non-linearity, indicating the absence of a Kuznets U-shaped relationship.

Globalization and poverty are highly debated topic in the literature. Various studies prove that globalization increases poverty, whereas numerous other studies, claim that globalization reduced poverty. Those in favor of globalization claim that there have been significant steps in the fight against global poverty, as well as a decrease in inequality in the last twenty years and that liberalization of economic policies or globalization has been responsible for this achievement. In contrast, there are critics who claim that globalization has led directly to increase poverty. They claim that the rich are getting richer and the poor are getting poorer. Both sides have backed up their claims with facts, but instead of a clear debate and clear-cut studies and conclusions, there has been an increasingly complex numbers debate. These studies showing merely positive or negative relationship between poverty and globalization. These are also studies showing a more stable relationship which argues that in some cases globalization can favor poverty reduction and some situation will worsen poverty.

So far, the results are not very clear-cut. Studies trying to relate globalization, measured in terms of economic openness, financial integration, and trade policies, to poverty show various results. Some studies "prove" that globalization helps the poor whereas others claim that globalization is hurting the poor. When globalization is placed in a broader perspective, like Heshmati's study, globalization seems not to or relate weakly to poverty. Does this mean that we should no longer try to understand how globalization relates to poverty and use our academic resources in other areas?

DATA AND METHODOLOGY

Since our study is concerned with the impact of globalization on poverty. Therefore, we have used time series data from 1970-2019 to answer the impact of globalization on poverty in Pakistan in the context of trade openness, FDI, inflation, GDP, and external debt to measure the impact of globalization on poverty in Pakistan. Main sources of data collection are, IMF, World

Bank, world development indicator WDI, Malik and different economic survey of Pakistan, and census of 2017 etc. Information has also collected from various studies conducted by various researchers in different parts of the country.

In this study, we assume that globalization has its impacts on poverty of Pakistan and determined it with trade openness and other variables. Where poverty headcount is the dependent variable and FDI, GDP, TO, EXD, INF, PG are the independent variables. We will use ARDL technique to check the impact of globalization on poverty in Pakistan. Since we have use time series data from 1970 to 2019 so it is prerequisite to check the unit root problem in time series data before estimating the relationship of variables. The augmented Dickey Fuller test [ADF] is used to test the stationary. The ADF test is based on the following equation.

$$\Delta X_t = \alpha + \alpha x_{t-1} + \delta_i \sum_{i=1}^{p} \Delta x_{t-1} + \epsilon_t \tag{1}$$

where X shows the time series variables used in the study α shows constant parameter and optimum lag length dependent variable and Δ shows difference. ϵ_t is error term determined to be white noise. The unit root test instructed to which estimation procedure we can use to estimate the relationship of the variables. If the all variables of the analysis stationary and do not have the unit root problem, then we can use multiple regression method to relationship of the variables. But if all variables have unit root problem and stationary after putting up with the difference mean integrated one then we can use Johnsen Co integration procedure to estimate the relationship of the variables. And if some variables of the study have unit root problem while several stationary at level mean mix order of integration than we can utilized Autoregressive distributed lag model to determine the relationship of the variables. Following are the general form of regression model:

$$Povt = \beta_0 + \sum_{i=1}^{\rho} \delta_{5i}\Delta Pov_{t-1} + \sum_{i=1}^{\rho} \delta_{1i}\Delta TO_{t-1} + \sum_{i=1}^{\rho} \delta_{2i}\Delta GDP_{t-1} + \sum_{i=1}^{\rho} \delta_{3i}\Delta FDI_{t-1} + \sum_{i=1}^{\rho} \delta_{5i}\Delta INF_{t-1}$$

$$+ \sum_{i=1}^{\rho} \delta_{5i}\Delta EXD_{t-1} + \sum_{i=1}^{\rho} \delta_{5i}\Delta PG_{t-1} + \beta_1\Delta TO_{t-1} + \beta_2\Delta GDP_{t-1} + \beta_3\Delta FDI_{t-1} + \beta_4 INF_{t-1} + \beta_5 EXD_{t-1} \tag{2}$$

$$+ \beta_5 PG_{t-1} + \alpha_t$$

where β_0 is the autonomous parameter, the long run coefficient is represented by β_1, β_2, β_3, β_4, β_5, and β_6, while the short-run coefficient is represented by b_1, b_2, b_3, b_4, b_5, b_6. We used ARDL bound testing co-integration approach which shows the co-integration relationship between the variables. If the error correction term is negative it shows the existence of long-run co-integration relationship among the variables.

RESULTS AND DISCUSSION

In this analysis, we used ARDL bound test model developed by Pesaran et al, to analyze the co-integration of variables. We then use the ECM error correction model to determine the rate of adjustment in short-term to return to the long-run equilibrium. Next we evaluate the short-term impact and estimate the long-term effect of globalization on poverty.

1. Unit Root Test

According to Pesaran et al, the ARDL bound test is based on the hypothesis that the variables are 1(0) or 1(1). So we initial test the stationarity of all variables. Variables in the model were tested for stationary with Augmented Dickey-Fuller (ADF) the results are expressed in table 1.

Table1

ADF test

Variable	Figures at level	Result	Figure at difference	Result
EXD	0.3570	Non Stationary	0.0006	Stationary
FDI	0.0396	Stationary	0.0003	Stationary
GDP	0.9996	Non Stationary	0.0035	Stationary
PG	0.8927	Non Stationary	0.0045	Stationary
TO	0.0000	Stationary	0.0000	Stationary
Poverty	0.4059	Non Stationary	0.0000	Stationary
INF	0.0000	Stationary	0.0000	Stationary

Source: author's estimations using E-Views software.

The result of the stationarity test shows that FDI, TO (trade openness), and INF are stationary at level but the remaining variables are stationary at first difference. Thus, the research data are eligible to use the ARDL bound test model.

Table 2

Descriptive statistics

	Poverty	LPG	LGDP	LEXD	INF	FDI	TO
Mean	3.458642	0.974673	24.75421	23.83325	9.537841	0.745358	8.92E-11
Median	3.410145	1.015060	24.75415	24.07648	8.479329	0.571448	4.94E-11
Maximum	4.163560	1.213113	26.47446	25.33659	38.51199	3.668323	4.32E-10
Minimum	2.856470	0.707649	22.57697	21.94902	0.400236	-0.062662	6.54E-12
Std. Dev.	0.369717	0.161371	1.089557	0.919703	6.555514	0.774362	9.81E-11
Skewness	0.104956	-0.226114	-0.110717	-0.379121	2.212217	2.286641	1.560166

Kurtosis	1.692748	1.712861	2.037982	2.184527	9.524538	8.384961	4.949225
Sum	172.9321	48.73364	1237.711	1191.662	476.8921	37.26790	4.46E-09
Sum Sq. Dev.	6.697847	1.275994	58.16962	41.44682	2105.763	29.38220	4.71E-19
Observations	50	50	50	50	50	50	50

Source: author's estimations using E-Views software.

Table 2 shows the descriptive statistics of all the variables included in the study. We can see the average value of GDP that is 24.7542 for the period1970 to 2019. While the median value also explains the average value which is 24.75415. The maximum and minimum values of GDP during the studied years are26.47446 and 22.57697 respectively. The standard deviation of GDP is 1.089557. The maximum and minimum value of FDI during the studied year's i.e. (max. 3.668323 & min. -0.062662), and max and min value of EXD is (max. 25.33659 andmin.21.94902) the standard deviation of FDI and EXD is (0.774362, and 0.919703) respectively, and other related descriptive statics that have been gathered by the estimation results.

2. ARDL Bound test results

We used in this study ARDL model to find out the globalization impact on poverty in Pakistan because the whole variables are not stationary on level intercept. After employing the techniques of ARDL model we found the short run result of ARDL of this model. For this purpose, we used to bound s. The results are shown in table 3.

Table 3

Bound test

Bound test		
F-statistic	3.414897	
Critical values	I(0)	I(1)
Significance Level		
10%	1.99	2.94
5%	2.27	3.28

The result thus shows that statistical value F is greater than the boundary value at significant level of 5% and 10%. This shows that there is long term co-integration relationship of variables in the model. The results obtained in table 4 verified that co-integration exists, we then move to the second phase to determine the long run relationship. The ARDL co-integration test was conducted, and the results obtained and tabulated in table 4.

<div align="right">**Table 4**</div>

<div align="center">ARDL long run and short run results</div>

Dependent variable	Regressors	Coefficient	T-statistics	Probability
Long-run result				
Poverty	PG	-7.646469	-2.268523	0.0294
	GDP	-1.291869	-1.184168	0.2441
	EXD	-0.982151	-1.236375	0.2243
	INF	0.084078	1.981912	0.0552
	FDI	-0.136293	-0.689731	0.4948
	TO	-1.38E+10	-1.771080	0.0850
Short-run result				
GDP	ΔPG	-7.024131	-3.422186	0.0016
	ΔGDP	-1.302869	-1.254168	0.1341
	ΔEXD	-3.982151	-1.10675	0.0443
	ΔINF	0.008542	3.832463	0.0005
	ΔFDI	-0.136293	-0.689731	0.0268
	ΔTO	-1.4709	0.00000	0.0000
	ECM(-)	-0.166155	-5.712376	0.0000
Diagnostic Tests				
R-squared		0.925600		
Adjusted R-squared		0.902866		
Durbin-Watson stat		2.061173		
Heteroscedasticity		0.9216 (0.8866)		
LM		0.966 (0.9530)		
Jarque-Bera		34.712 (0.000)		

The result thus shows that statistical value F is greater than the boundary value at significant level of 5% and 10%. This shows that there is long term co-integration relationship of variables in the model. The results obtained in table 4 verified that co-integration exists, we then move to the second phase to determine the long run relationship. The ARDL co-integration test was conducted, and the results obtained and tabulated in table 5.

The results received confirmed a positive relationship between inflation and poverty, and negative relationship between population growth, gross domestic product, external debt ratio, foreign direct investment, and trade openness with poverty. The coefficients of foreign direct investment (FDI) show that a 1% increases in FDI cause a 0.136% decrease in poverty at a 5 percent level of significance. Similarly, the coefficients of trade openness indicate that a 1% increase in TO cause 1.38% decrease in poverty at 5% level of significance. A one-unit decrease in overall population is predicated to increases in poverty 7.646%. The result of the study also conforms and supported by Agha Ahmad Nabi and Gray Becker view of "human capital theory" states that human capital increases economic development through education and training to support human and physical capital, thus reducing poverty. The coefficient

of inflation shows that a 1% increase in inflation causes to increase 0.084% poverty, at 5% level of significance. The coefficient of external debt indicates that a 1 % decrease in external debt increases poverty 0.982%. After computing the long run coefficients, the next step is to estimate the short run model.

The results for the short run are demonstrated in table 5. It is shown that the ECM (- 0.166155) is negative and significant which confirms the existence of the long run relationship between, inflation, trade openness, foreign direct investment, population growth, and poverty. The negative and significant error correction term indicates the long run relationship among the variables. Where R squared value shows the significance of study.

Next to determine the reliability of the model, we proceeded the diagnostic tests for the ECM including: Heteroscedasticity test (Breusch-Godfrey), Serial Correlation LM Test, GUSUM test, and GUSUM of square test. The results are shown in table 7, 8, and fig 1, and fig 2.

The results show that the residuals of the model are no autocorrelation, no Heteroscedasticity. In addition, the plot of the CUSUM, and CUSMSQ statics fall inside the critical bands of the 5% confidence interval of parameter stability. This proves that the model is reliable and stable.
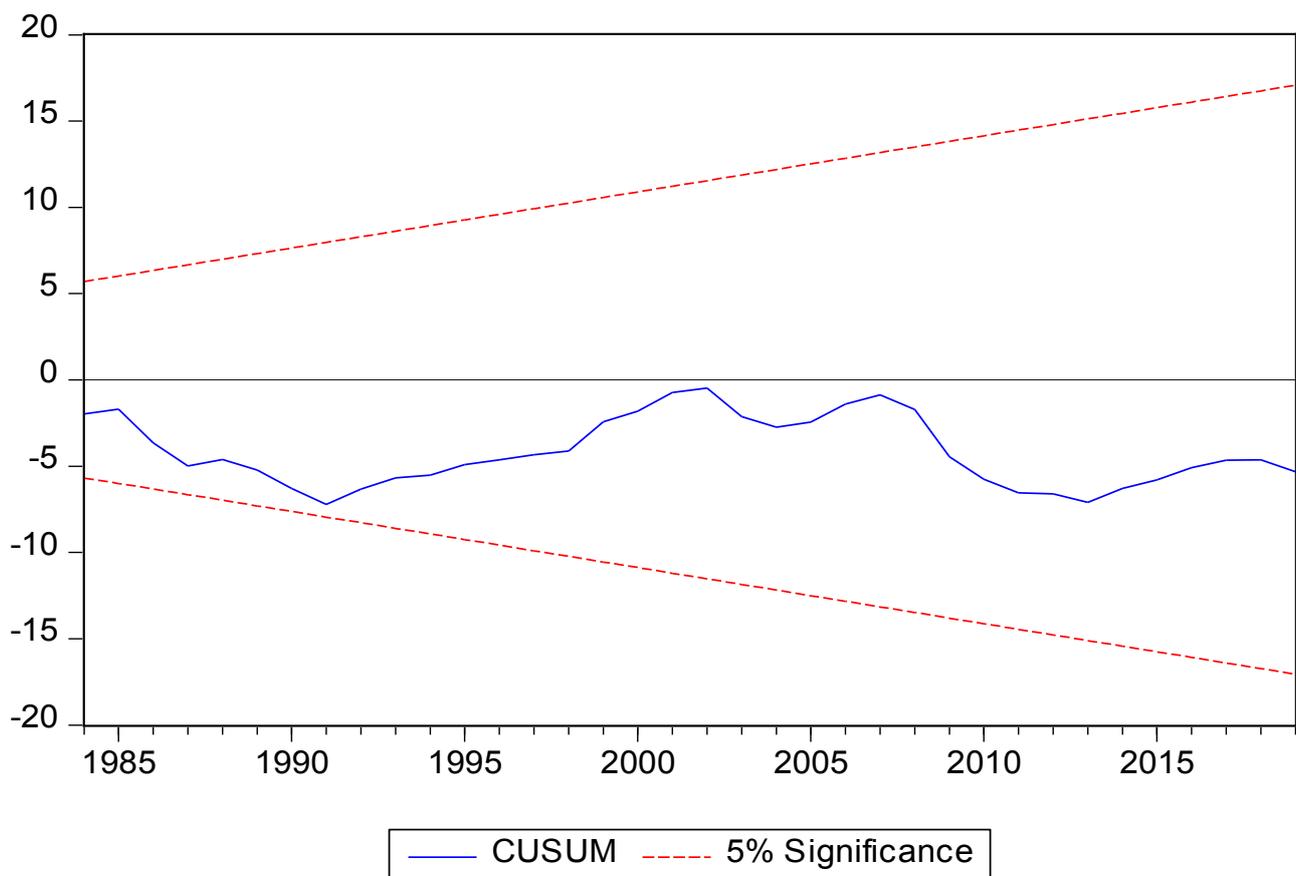
Figure 1 CUSUM TEST
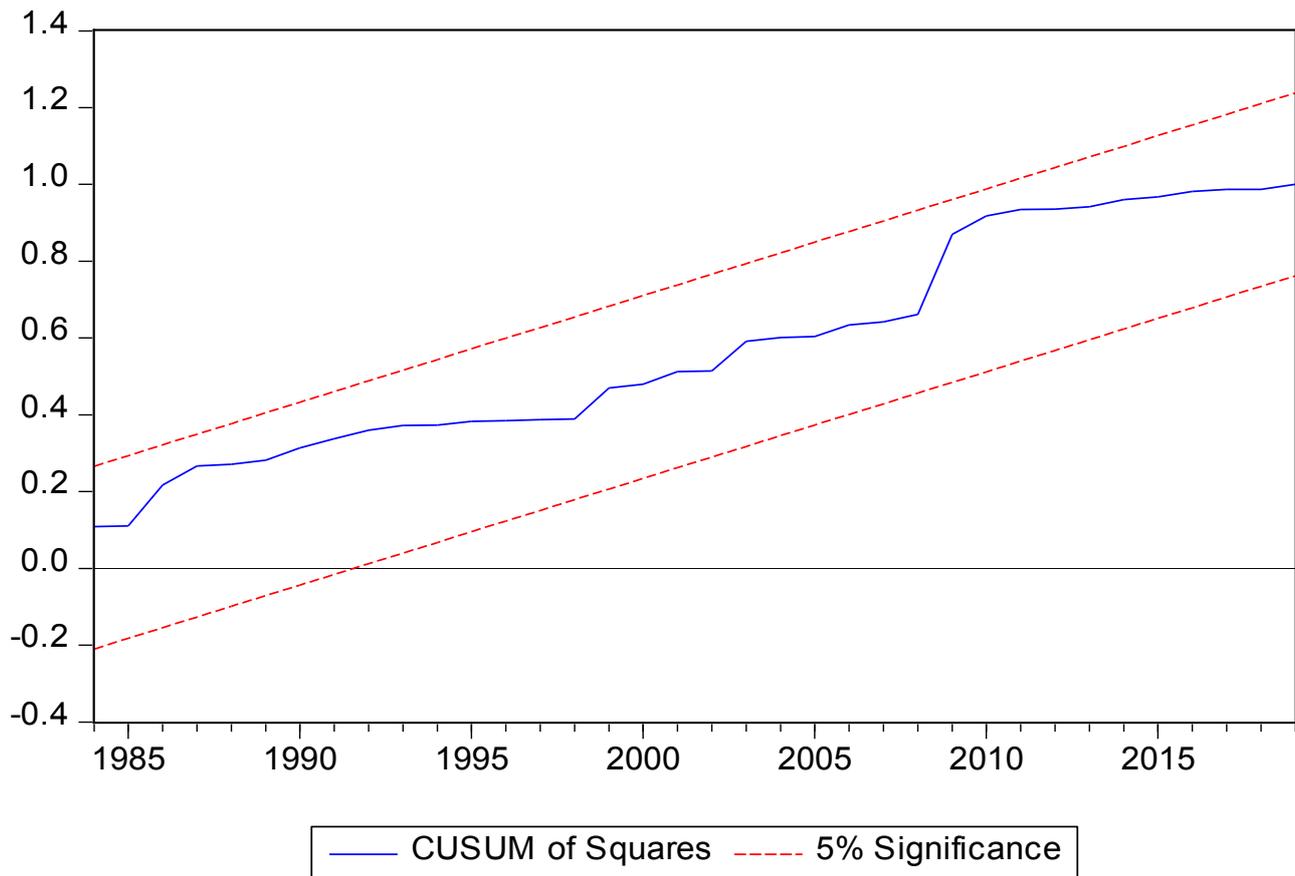
Figure 2 CUSUMSQ TEST

Source: author's estimations using E-Views software.

In fig. 2 the graphs show that CUSUM test are lying with the critical bounds so our model is structurally stable. The data and variables of all models are stable because the plots of CUSUM (cumulative sum of recursive residuals) are not crossing critical boundary lines. The present CUSUM charts at 5% level of significance show that the blue line is not crossing the red lines on both sides. So, there is no problem of recursive residuals in mean terms. So there is no need to add a variable, which is sensitive to structural break.

CONCLUSION AND POLICY RECOMMENDATIONS

1. Conclusion

It is recognized that liberalization of trade will benefit the poor, since labor is the fundamental asset of the poor which is largely used in the production of traditional exports. Furthermore, globalization results in completion, consequently the goods will be available to the poor at lower prices which will increase their welfare, also increase migration of labor, results in a

greater flow of foreign remittances. The parents can spend more on the education of their children which will increase human capital formation.

With the liberalization, the percentage of the population below the poverty line has initially increased, but later on it has declined. Liberalization helps in poverty reduction through increase foreign remittances, increase in employment opportunities to the domestic labor force and increase in human capital formation.

We summarize that globalization has dominant positive influence on poverty and economic growth and considerably decreased level of poverty in Pakistan. Improving trade openness, FDI, and GDP are the central and dynamic for reducing poverty in Pakistan. It indicates that there is tight association between globalization and poverty in the context of Pakistan.

2. Policy Recommendations

Although liberalization has contributed to poverty reduction, most of the developed countries have not so much liberalized their economies by maintaining their immigration laws, which discourage the immigration of labor from developing countries including Pakistan. Therefore, we would like to present the following recommendations for policymakers:

Pakistan trade is still limited to specific countries; Pakistan has needed to explore its trade to other countries markets. The government should grab measures to revise its immigration laws, structural reforms, policy regarding trade openness, import exports and poverty at macro level, because immigration laws play a very crucial role and the impact of trade openness on poverty is the most significant one. Pakistan should pay some considerable attention to employment creation.

Pakistan should pay reasonable interest to improve law and order situation to captivate international business community to invest in Pakistan. Pakistan trade is still limited to specific countries; Pakistan has needed to explore its trade to other country markets.

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Social policy of the state and the role of state programs in solving the problems of social protection of the population

KEYWORDS

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ABSTRACT

Introduction. In a market economy, the process of state development is often accompanied by a drop in the standard of living of the population, a deterioration in the demographic situation in the country, a reduction in the average life expectancy of people, which makes it necessary to improve the effectiveness of the social protection system of citizens. When developing a social policy, the question of social priorities arises as one of the most important, that is, such social tasks that are currently the most urgent and urgent for society, require priority solutions, such as social protection of the working and non-working population, pension provision, social support for low-income segments of the population and the unemployed, etc.

Materials and methods. During the preparation of the article the authors used conference materials, as well as in the review of sources – modern foreign periodicals.

Results. The world practice of social insurance shows that the greatest social effect is achieved with the three-channel formation of insurance funds at the expense of contributions of employees, employers and the state. This method of financing ensures joint responsibility of the participants for the prevention and compensation of risks, joint management and control of the funds. In case of compulsory social insurance, the distribution is considered the most reasonable, when the biggest part of financing falls on the employer – 50%, 20-40% – on the state and 10-30% – on the employee.

Conclusion. Based on the analysis of international experience, we can conclude that the most effective and comprehensive social protection systems usually include the following main elements: state benefits, compulsory social insurance, funded pensions, social assistance.

Since the success of fundamental and profound social reforms depends on the public recognition of their justice, the social policy pursued by the state should be based on modern and adequate social indicators and criteria that are adequate to the new economic principles.

The latter determine the threshold values of indicators of social activity and social security. Crossing these borders is unacceptable, as it is fraught with negative social consequences that make further progress in the economic reform of society impossible.

FOR CITATION

INTRODUCTION

The system of social protection of the population is one of the main conditions for the development of a market economy. It can be said that the social protection system covers the entire social policy of the state and its implementation.

The social policy of the modern state is a set of socio-economic measures of the state, enterprises, organizations aimed at reducing inequality in the distribution of income and property, protecting the population from unemployment, price increases, depreciation of labor savings, etc. It is implemented through social planning and management through a system of social activities and programs conducted by State and local authorities.

When developing social policy, one of the most important issues is the question of social priorities, that is, such social tasks that are currently the most important and urgent for society, require priority solutions. The initial basis for managing the social development of any object, from the level of primary production units to the national (local) level, is the identification of social problems, social diagnostics.

If we understand a social problem as a social contradiction realized by the subjects, a significant discrepancy between the goals and the results of their activities, arising from the lack of funds to achieve these goals, then its objective-subjective nature becomes obvious. To become a social problem, the underlying contradiction must necessarily pass through the consciousness of the subject, become the object of evaluation.

As L. Zubova et al. rightly point out, one of the important components of the economic reform program is a well-thought-out social policy. Without this, the reform is doomed to failure, because it has not yet become irreversible and does not enjoy the absolute support of all groups and strata of the population [1].

The problem of social protection in conditions of economic reforms is often reduced entirely to the indexation of income and payment of benefits to pensioners, the disabled, families with children and some other population groups. T.A. Agapova notes that such a system is not formed spontaneously, but assumes certain macroeconomic preconditions affecting all members of society [2].

According to B. F. Hadis, the commodification of social protection can stifle the climate of social trust even where transparency and institutional efficiency prevail. Universal systems of social protection that avoid entitlement based on need, in turn, can act as an antidote to commodification – and thus spread social trust [3].

MATERIALS AND METHODS

During the preparation of the article the authors used conference materials, as well as in the review of sources – modern foreign periodicals («The European Journal of Development

Research», «Problems of Economic Transition», «Health, Risk & Society», «Systemic Practice and Action Research», «China Population and Development Studies», «Journal of Human Rights and Social Work», «International Advances in Economic Research» etc.).

Despite the intensification of research in the field of social policy, the theoretical and methodological foundations of social policy as an economic category have not yet been sufficiently studied, conclusions and proposals for determining the priorities of social policy are contradictory, corporate social policy and the interaction of social policy subjects are not sufficiently studied.

The unfolding process of reforming the economy of Kazakhstan objectively requires a new approach to the essence of the phenomena and processes that are taking place, to clarify the trends in their development. In the conditions of the national transformed economy, one of the social problems remains the problem of increasing the welfare of the population, associated with the acquisition of goods and services by the population of the social sphere.

Social diagnostics involves the use of complex tools, including both the analysis of economic and social statistics, and the use of methods of empirical sociology. Among these methods, the most important place belongs to public opinion polls.

The development of social policy, considered as a holistic complex process, is a social goal-setting, the definition of social priorities. After studying the situation, determining the structure and nature of social needs and contradictions, the subject of social management faces the problem of determining the most important areas of activity, choosing social tasks that should be recognized at this stage of the object's development as the most urgent and urgent, requiring priority solutions. When developing social programs, the issue of social priorities is on the agenda for government bodies, which implies the scientifically based identification of those social groups that should be given priority attention in the period under review.

The third block of the complex scheme of social policy formation is the development of a system of social indicators and standards. It follows directly after the target block. If the main social goals serve as a reference point for planning the nature and content of social changes for a certain time period, then social norms and indicators specify the tasks and directions of social policy.

In general, social indicators should be understood as a set of qualitative and quantitative characteristics of individual properties and states of social objects and processes, which reflects their essential features in statics and dynamics, respectively.

RESULTS

Social policy can not be limited only to the so-called "social sphere", its object can also be politics, economy and culture, since all social relations directly or indirectly affect the position and development opportunities of various social communities [4].

In addition, social policy may be related to the resource and climatic characteristics of a particular state [5], with employment [6], its migration [7], as well as having regional specifics [8; 9].

The fundamental norms and values of the society in which the system operates have a huge impact on the system of social policy. Social policy reflects the deep-rooted social expectations of the general population. These expectations, which are formed outside the formal structure of social policy, often determine its nature and potential. Effective social policy at the present time and in the future cannot be implemented only by state bodies. The presence of a number of relatively independent subjects of social policy not only expands the list of social services based on their interaction, but also provides greater flexibility and mobility of social policy, allows you to quickly regulate changes in the socio-economic situation.

The key indicator of a society's normative values is the very nature of social policy. In some countries, the social services provided under this system are considered primarily as a public good, from which all citizens benefit. Social policy in the countries of the European Union is implemented in three directions.

The social-democratic model. This model can be defined as "Scandinavian" (Denmark, Sweden, Finland). The directions and ways of implementing social policy in these countries are determined by the political union of left-wing workers ' parties and parties representing the interests of small farmers, and are aimed at providing the state with a wide range of social services to the entire population at full employment.

The model is characterized by the fact that social services are defined as civil rights, and all citizens have the right to equal, tax-funded social security. The working population receives additional social benefits. Only unemployment insurance, based on the principle of voluntary participation, is separated from the State social security system. In general, the level of social security is quite high and is mainly financed by taxes.

The corporate model. It involves the development of a system of social insurance benefits differentiated by type of work, and, accordingly, the integration of the trade union movement with the state. This model is also called "continental" (Germany, Austria, France and the Benelux countries). The corporate model is based on social insurance, i.e. social security directly or indirectly (for family members) extends to the working population. Social insurance services, which are mainly funded by contributions, differ depending on the membership of a particular professional group.

The liberal model. This model is defined as assuming the minimum necessary state support for the social grassroots. This model has found its application in the Anglo-Saxon countries. This model is also called "Anglo-Saxon". This model has become widespread in the UK and Ireland and includes social insurance, which is at a fairly low level, and social assistance, which plays a crucial role for this model.

There are some differences within the Anglo-Saxon model. While in the UK, the public health system provides free medical services to all citizens, in Ireland, public health services can only be used by low-paid citizens. The model under consideration in one form or another

has found distribution outside the European continent – in the United States, Australia and New Zealand.

There is also another model of social policy - rudimentary, presented in the countries of Southern Europe. In these countries, only in recent decades, under the influence of socio-economic structural changes, have general social security systems been created or improved. These include occupational insurance and social security. In general, the level of social security in these countries is quite low. It is still assumed that the social protection of citizens is largely carried out through the family and private charity.

A characteristic feature of this model is also the asymmetric structure of social spending. For example, in Italy, this is reflected in the fact that the largest part of social spending is pension provision (14.7 % of GDP at the European average level - 12.5 %), while relatively small funds are spent on family support, maternity, education and employment policy (about 1%) [10]. This model is interpreted as developing or transitional.

Any models of social policy will not be effective without financial support. The financing of social programs and the entire social policy is directly dependent on the share of expenditures in the gross domestic product (GDP).

The EU countries are at different levels of economic development, so social spending per capita, expressed in absolute terms, differs several times. So, in 2018 (before the expansion), the five countries with the highest indicators were Luxembourg (12,653 euros), Denmark (10,782), Sweden (99,333), and the three with the lowest - Greece (3,671), Portugal (3,192) and Spain (3,656 euros) [4].

The structure of spending on social programs in the EU countries is as follows:

- in almost all EU member states, most funds are spent on pensions - an average of 42.4 % of all EU social spending;
- the share of these expenditures in the EU countries is about 12.1 % of GDP and varies from 5 % of GDP in Ireland to 15.4 % in Italy;
- the second largest item of expenditure is healthcare. This is 26.2 % of all EU social spending and 7.5% of GDP, respectively;
- in some countries, the share of health spending ranges from 5 % of GDP in Italy to 8.7 % of GDP in Germany;
- the average spending is on the following areas: social security for the unemployed (8.1 % of total EU social spending and 2.3 % of EU GDP);
- social security for disability and disability (8 and 2.3%, respectively) and assistance to families and children (7.3 and 2.1 %);
- the share of spending on assistance to the unemployed in individual countries ranges from 0.5 % of GDP in Italy to 4.9 % in Denmark, on assistance to the disabled and disabled - from 0.9 % in the Netherlands to 4.7 % in Finland, on assistance to families and children - from 0.4 % in Spain to 4.2 % in Finland;
- relatively small allowances to cover the cost of rent (1.9 % of total social spending and 0.6 % of EU GDP) [4].

Contributions from both employers and employees themselves, as well as tax funds, are used to finance the social policy system in all EU member States. In some countries - Belgium, France and Luxembourg-additional social taxes are levied, the amount of which is still insignificant. In general, social security spending in the EU is financed by 40% from employer contributions and 24 % from employee contributions, while the share of general taxes in social sector financing was on average 30 %, and social taxes – 2 %.

Compared to the EU countries, the amount of social protection funding in Kazakhstan was in 2018, which is much lower, but generally comparable to similar indicators in the United States and Japan. However, in organizational and financial terms, the social protection system largely coincides with the European one. This primarily concerns its component, such as the payment of pensions, as well as the financing of health care, budget expenditures for which last year amounted to 3.11% of GDP [11].

The world practice of social insurance shows that the greatest social effect is achieved with the three-channel formation of insurance funds at the expense of contributions from employees, employers and the state. This method of financing ensures the joint responsibility of the participants for the prevention and compensation of risks, joint management and control of funds. In the case of compulsory social insurance, the distribution is considered most justified when the majority of the funding falls on the employer – 50 %, 20-40 % – on the state and 10-30 % – on the employee.

Based on the analysis of international experience, it can be concluded that the most effective and comprehensive social protection systems usually include the following main elements:

- state benefits;
- compulsory social insurance;
- accumulative pension provision;
- social assistance.

In Kazakhstan, the social orientation of the economy has not yet become a fait accompli, but this trend is quite clearly seen in the most developed countries. In addition, the idea of a socially-oriented economy is most consistent with the moral ideals of people. Such an economy is the most dynamic and efficient form of management.

Moreover, it can already be stated that it is the orientation to the person that is the main factor of economic growth in modern conditions. Any decision in the social sphere that affects the conditions of pension provision, social insurance, payment for housing and communal services, etc., directly affects the standard of living of the population.

The need to form a social policy of the state is due to the fact that the functioning of the market mechanism itself does not guarantee the necessary minimum level of well-being of all citizens. Accompanied by a sharp increase in social tension in a number of countries, the global crisis of the 30s of the last century proved the need for state intervention in socio-economic processes [12].

At the present stage of the development of the scientific and technological revolution, no economic system is able to ensure economic growth without using the innovative

potential of a person, which determines the need for the human factor in the socio-economic development of society. There is a relationship between social policy and the level of economic development of a society.

On the one hand, the solution of many tasks of social policy is determined by the economic resources that the state can direct to their implementation. For example, when implementing the Swedish model, which assumes a high level of social costs, it is necessary to create an economy with an appropriate resource base. On the other hand, social policy can be considered as the most important factor of economic growth, since it is thanks to a purposeful social policy that conditions are created for the growth and realization of the innovative potential of the society's labor resources.

All of the above determines the need for the state to participate in socio-economic processes through the development and implementation of social policy. The goal of the ongoing reforms in Kazakhstan is to build a socially oriented market economy.

To date, the need to change the socio-economic policy of the state has become generally recognized in order to ensure the stability of economic growth, increase the standard of living of the population, guaranteed protection of the socially weak segments of the population, especially those not engaged in material production [18].

Any society consists of economically strong and economically weak individuals - households. Social policy is a tool that allows us to support the weak, create conditions for the self-realization of all citizens of the country, without exception, and preserve its cultural and historical values. As an economic category, social policy characterizes the relations between the state, households and enterprises in the process of forming and developing human resources in order to create conditions for the realization of the potential for economic growth based on a balance of social and economic factors.

It should be noted that despite the importance of the social policy pursued by the state, it is inherently independent and, if it is real, and not declarative, it is based on the resources that can be allocated to ensure its activities. Even those decisions that do not require significant costs (for example, legislative ones) should be taken in cases where the procedure for implementing social policy established by them corresponds to the achieved level of economic development of the country.

It should be noted that in the country, along with other programs, social security is organized for disability, for the loss of the breadwinner, for the social protection of unemployed citizens and for age. All individuals-citizens of the Republic of Kazakhstan, foreigners and stateless persons permanently residing in the territory of the Republic of Kazakhstan, upon the occurrence of risky cases, receive state benefits at the same level, regardless of participation in labor activities and contribution, unless otherwise provided by laws and international treaties.

In addition, due to the lack of economically sound standards for calculating social benefits, the relationship with the labor payment system, an adequate link between the income level of the working population and the social benefits received has been lost. As a result, a part of the working population receives a salary lower than the amount of social benefits.

An important element of social protection of the population is employment and retraining programs [20]. The state and entrepreneurs are involved in the implementation of these programs. For example, in America, firms spend about $ 30 billion annually on these measures. The state spends most of the funds on the implementation of retraining programs. By the end of the 90s, about 50 million people were retrained and trained in the United States.

The problems of employment of the population and social protection of the unemployed, which are of a political nature, deserve special attention in social policy. The purpose of the employment policy is to promote full, productive and freely chosen employment by providing vocational training, professional development, expanding the scope of the public employment service and implementing other measures aimed at ensuring social protection of the population.

The Law of the Republic of Kazakhstan "On Employment of the Population", which was adopted in 2001, in comparison with the previous law, more clearly defines the status of the unemployed, which is attributed to the able-bodied population, the basic principles of employment policy and state guarantees.

The law also says about providing additional state guarantees for citizens who need social protection, about the rights and obligations in the field of employment, registration and accounting, control and reporting

In the social policy of any state, including in Kazakhstan, an important place is occupied by the pension provision of the population, which is regulated by the state. It is part of social protection. The size of pensions depends on the level of socio-economic development of a particular country, the political regime and legislation.

It should be noted that since 1998, the pension system in Kazakhstan has moved from the distributive to the accumulative principle of functioning. The pension fund withholds 10 % of the employee's salary. In the case of a funded pension system, a link is established between the individual contribution and pension payments.

According to analysts, according to the degree of social protection in Kazakhstan, pensioners belong to the disadvantaged segments of the population. The existing methods of updating pensions are imperfect, as a result of which their sizes for citizens of the same qualifications, who have made an equal labor contribution, but who retired at different times, are very different.

At the same time, those who received fixed incomes were placed in unfavorable conditions. As a result, with retirement, people tend to live at lower living standards than before retirement. Previously, to supplement their budget, many pensioners were employed. Currently, due to unemployment, this has become problematic.

The disadvantaged segments of the population also include children left without parental care. The solution of this problem in our country is provided by a number of state measures, among which an important place belongs to guardianship and guardianship. The institution of guardianship and guardianship, as well as adoption, plays an important role in creating conditions for children deprived of parental care in the family.

The purpose of both institutions is to protect and protect the rights of such children. The assistance provided to children in need of care is diverse. It is carried out through a wide

network of state and public children's institutions, where the necessary conditions are created for the education of fully developed and active members of society.

In July 2001, the Law «On State Targeted Social Assistance» was adopted. The main principle is to provide it in the form of cash payments. The system of targeted social assistance includes four types of benefits:

- housing assistance;
- additional payment in cash to the poverty line;
- non-working mothers with four or more children under 7 years of age;
- disabled children who are brought up at home.

Targeted social assistance is aimed at certain, specific groups of citizens.

In the field of education, the State has introduced a system of grants for training. Educational institutions have been given the opportunity to train students on a commercial basis, and non-state educational institutions operate, the activities of which are under the control of the state.

There have also been changes in the health sector. Private clinics that provide paid medical services to the population have opened and are functioning.

In the system of social protection of the population in the Republic of Kazakhstan, an important element is social insurance, which includes: pension, medical, unemployment and industrial accidents.

Social insurance is a special organizational and legal form of social protection of citizens. It is used as an autonomous and independent mechanism for accumulating funds (for example, for pension provision), as well as for performing other social protection functions, and includes:

- creation of social and health-improving and rehabilitation infrastructure (insurance against accidents at work);
- organization of health improvement of workers (health insurance);
- creation of new jobs (unemployment insurance);
- carrying out measures to prevent insured events.

CONCLUSION

Since the success of fundamental and profound social reforms depends on the public recognition of their justice, the social policy pursued by the state should be based on modern and adequate social indicators and criteria that are adequate to the new economic principles.

The latter determine the threshold values of indicators of social activity and social security. Crossing these borders is unacceptable, as it is fraught with negative social consequences that make further progress in the economic reform of society impossible.

In our republic, the main principle of providing social assistance is its targeting. The question of who, in what types and forms, and to what extent to provide social assistance is one of the most difficult in the social economy. It is considered important to support those who are really unable to help themselves, that is, to provide strictly targeted assistance, which saves the

financial resources of the state and prevents the development of" dependent attitudes " among the population. This principle is reflected in the Message of the President of the Republic of Kazakhstan: "The state is obliged and actually assumes responsibility for supporting only those members of society who really need this help – and these are, first of all, children, mothers with many children, veterans, disabled people." For the rest, in accordance with market principles, «it is necessary to create conditions for independent development».

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