Research on the Correlation between Economic Factors and Quality of Life

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Abstract. This study is a pivotal examination of the intricate link between economic factors and residents' quality of life, underscoring its critical implications for policy-making and societal advancement. It delves into the multifaceted relationship between economic indicators like GDP, unemployment, income distribution, and quality of life elements such as health, education, and subjective well-being, particularly focusing on Qingdao, China from 2008 to 2018. Employing a hybrid methodology of quantitative and qualitative analysis, including secondary data and case studies, the research unveils a positive correlation between economic growth and improved living standards, while also highlighting the complexities and multidimensional aspects of this relationship. The findings suggest that while economic growth contributes to better quality of life, aspects like job creation, social equity, and public services are equally vital, advocating a balanced approach in policy-making to ensure equitable and sustainable societal development.

Keywords: Economic Growth, Quality of Life, GDP.

1. Introduction

The complex relationship between economic factors and residents' quality of life is the frontier of social-economic research. This study explores this relationship in depth, not only because of its inherent complexity but also because of its significant implications for policymaking and social progress. The central importance of this research is that it has the potential to shed light on how economic policies and environmental conditions affect individuals' daily lives and overall quality of life.

The concept of "quality of life" encompasses many other elements besides economic factors, including health, education, environmental quality, and subjective well-being. In the old days, economic growth was seen as the key driver of higher living standards [1]. However, contemporary research shows that the relationship between economic indicators and life satisfaction is complex and multifaceted. These new findings challenge the conventional theory that economic growth does not directly translate into improved quality of life, underscoring the need for a more nuanced understanding of the well-being of economic development [2]. The study is significant because it addresses a key question in socioeconomic research by combining macroeconomic analysis with micro-quality-of-life assessments. These findings will influence the conclusions of policymakers, economists, and social scientists. By understanding the impact of economic changes on quality of life, policies can be better adjusted to both promote economic growth and improve the overall quality of life of the population. The potential implications of this research are far-reaching. It will facilitate a more holistic approach to economic decision-making, ensuring that quality-of-life considerations are integrated into decision-making. In addition, it could serve as a model for future socioeconomic research, promoting a more holistic approach to understanding economic impact.

The study was driven by the authors' curiosity to explore the link between economic growth and quality of life indicators. Although there has been extensive and complex research in this area, there is still a lot of room for research, especially on the impact of factors such as income inequality, access to public services, and environmental sustainability on quality of life.

The study aimed to take a comparative look at a combination of macroeconomic and micro-quality of life indicators. While much of the existing research has focused on high-income countries, this study expands its scope to understand these dynamics in a variety of economic contexts, including developing economies. There are also obvious differences in the integration of quantitative economic data and qualitative assessment of welfare, and this study hopes to unify the assessment and identify problems.

To achieve its goal, the study will adopt a hybrid approach. Quantitative analysis of economic data, such as GDP growth, unemployment, and income distribution, will be complemented by qualitative insights gathered through surveys and the Internet. These will capture residents' perceptions of quality of life and personal experiences, leading to a deeper understanding of how economic changes affect individuals. The study will also use longitudinal data to explore long-term trends and establish cause-and-effect relationships. A hybrid approach will enable a robust analysis of economic factors affecting quality of life. Quantitative data will be sourced from national databases, economic reports, and international organizations to ensure an accurate representation of economic conditions. The data will be analyzed using statistical methods to identify trends and correlations. The study will involve a survey of residents from different socioeconomic backgrounds. These qualitative methods will provide insights into individual experiences and perceptions, providing a richer and more human understanding of observed statistical trends

Specific objectives include examining correlations between macroeconomic changes and changes in quality of life and exploring the role of income inequality, access to public services, and environmental sustainability in these dynamics. The study also aims to understand how these relationships differ across socioeconomic groups and geographic regions to gain a comprehensive understanding of the impact of the economy on quality of life.

2. Analysis of Influence Factors

2.1. Economic Factors Shape Living Standards and Quality

Economic factors have multiple effects on people's living standards. Employment opportunities and wage levels directly determine the economic status of individuals, and high employment rates and high wages help to increase disposable income, thereby improving living standards [3]. Economic conditions also affect the government's financial resources, which in turn affect the provision of public services and infrastructure. The government's tax policy and welfare policy can reduce or increase the family's economic burden, thus affecting the family's quality of life [4]. Good environmental quality helps to maintain health, improve the quality of the living environment, and promote the comfort of life. In addition, the unequal income distribution may lead to the widening of the gap within society, affecting the quality of life of low-income people [5]. Ultimately, economic growth can provide more opportunities for individuals, including employment and income growth, and improved living conditions. In short, economic factors work together to shape people's living standards and quality of life through multiple channels.

2.2. The Two-way Influence of Economic Factors and Quality of Life

There is a complex two-way influence mechanism between economic factors and quality of life.

First, economic factors can directly affect the quality of life. Factors such as high employment rates, good wages, and public services and infrastructure provided by the government can improve people's economic situation and social welfare, thereby improving the quality of life [6]. In addition, the design of tax policies and social welfare policies can also reduce the economic burden of households, increase disposable income, and further improve living standards. At the same time, the improvement of environmental quality helps to maintain health and improve the quality of the living environment and has a positive impact on the quality of life [7].

On the other hand, quality of life also has an impact on economic factors. High-quality education and training can improve people's skills, increase job opportunities, raise wages, and promote economic development. People in good health are more productive and better able to participate in economic activities, reducing medical expenses and having a positive impact on economic performance [8]. In addition, social stability and high quality of life also help attract talents and enterprises, promote innovation and entrepreneurship, and further promote economic growth [9].

3. Method and Result

3.1. Research Design

Using a case study design, this study aims to deeply explore the relationship between economic factors and residents' quality of life. Through a combination of secondary data analysis, literature review, and case studies, this study can examine this complex social-economic phenomenon from multiple perspectives.

3.2. Methods of Data Collection and Analysis

Secondary data analysis: Analyze macroeconomic indicators such as GDP growth rate, unemployment rate, and income distribution, and the relationship between these indicators and residents' quality of life [10]. Data source: Baidu Encyclopedia, Zhongjing data, etc.

Case study: Qingdao City in Shandong Province of China is selected as the sample of this study.

3.3. Research Process

Data collection: Collect and collate relevant macroeconomic indicators data, statistics, and reports related to quality of life.

The annual GDP, unemployment rate, per capita disposable income, and average life expectancy of Qingdao City during the 11 years from 2008 to 2018 were collected.

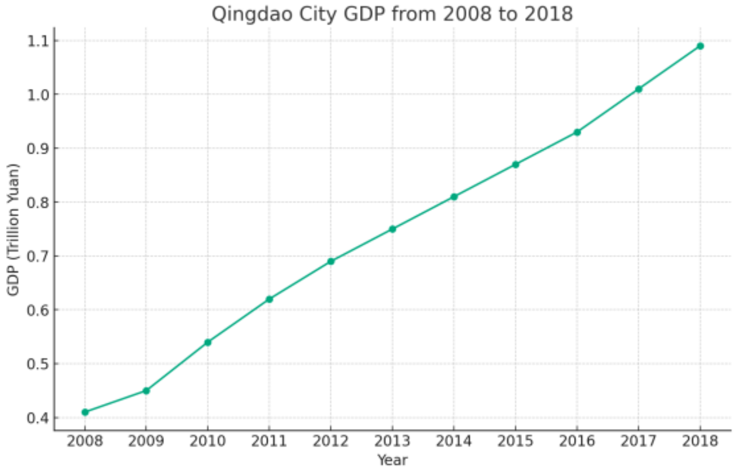

Fig 1. Qingdao City GDP from (2008 - 2018) (Photo/Picture credit: Original).

Fig2. Unemployment Rates in Qingdao (2008 - 2018) (Photo/Picture credit: Original).

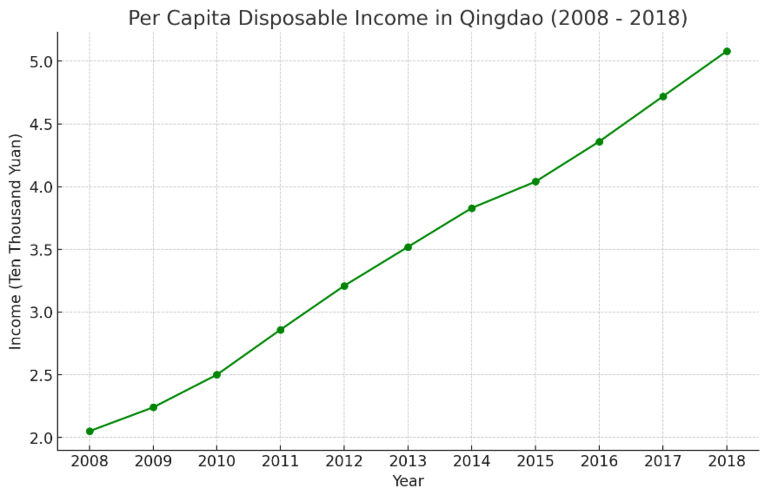

Fig 3. Per Capita Disposable Income in Qingdao (2008 – 2018) (Photo/Picture credit: Original).

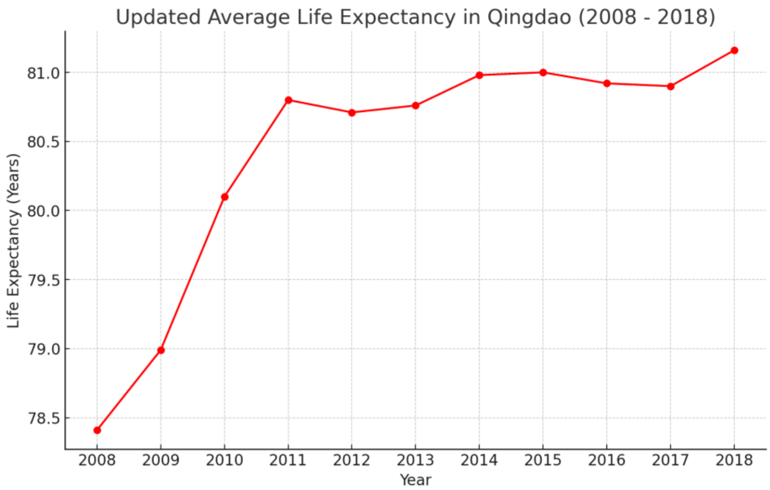

Fig 4. Updated Average Life Expectancy in Qingdao (2008 - 2018) (Photo/Picture credit: Original).

Fig 1 displays Qingdao City's GDP from 2008 to 2018, with years on the X-axis and GDP (trillion yuan) on the Y-axis, showing a positive growth trend. Fig 2 presents unemployment rates over the same period, with years on the X-axis and unemployment rate (%) on the Y-axis, depicting some variability but an overall downward trend towards the end. Fig 3 charts per capita disposable income, with years on the X-axis and income (ten thousand yuan) on the Y-axis, illustrating a continuous increase. Fig 4 shows life expectancy trends, with years on the X-axis and life expectancy (years) on the Y-axis, indicating an initial rise followed by stabilization.

Qingdao's economic and social indicators have undergone significant changes in the past decade. By observing and analyzing the changes in economic growth, unemployment rate, per capita disposable income, and life expectancy during this period, the author reveals some interesting phenomena related to the relationship between economic development and residents' quality of life.

First, Qingdao's GDP grew from about 0.4 trillion yuan in 2008 to about 1.1 trillion yuan in 2018. This growth is multifaceted, including industrial expansion, growth in services, and higher exports. GDP growth is often seen as an important indicator of economic health and prosperity, providing jobs and increasing government tax revenue, which in turn increases investment in education, health care, and infrastructure. These directly or indirectly affect the quality of life of the residents.

The unemployment rate, a measure of the number of jobs in the economy and the health of the labor market, has shown volatility over that time. The change in the unemployment rate is usually synchronized with the economic cycle, and the period of economic growth is usually accompanied by a decline in the unemployment rate, but in the case of Qingdao, the unemployment rate does not show a clear downward trend. This could indicate that while the economy is growing overall, new job creation may not be keeping pace with labor market growth, or that economic growth is concentrated in highly automated industries that do not require a large labor force. On the other hand, the steady growth of per capita disposable income, from 20,000 yuan in 2008 to 47,000 yuan in 2018, provides strong evidence of residents' improved living standards. Growth in per capita disposable income is often directly related to the economic well-being of residents, meaning that residents can pay for better education, health, and leisure services. In addition, higher disposable income may also be associated with higher levels of consumption, which in turn can stimulate further economic growth. Finally, the increase in average life expectancy, from 78.5 years in 2008 to 81 years in 2018, reflects the improvement in residents' health and quality of life. Life expectancy is an indicator of progress in public health and improved medical conditions. At the same time, it may also reflect improvements in the living environment, such as better air and water quality, safer working environments, and healthier lifestyles. To sum up, there is a certain positive correlation between the economic growth of Qingdao and the improvement of residents' life quality. Growth in GDP and per capita disposable income appears to be consistent with improvements in living conditions, although the volatility of the unemployment rate reminds the authors to pay attention to the multidimensional health of the labor market. A detailed study of Qingdao's economic data and social well-being indicators can provide policymakers with valuable insights on how to balance economic growth and improve residents' quality of life. This will require policy innovation to ensure that the fruits of economic growth are shared by all citizens, as well as strengthening social safety nets to mitigate the short-term fluctuations that may come with structural economic transition.

4. Discussion

In the research on the relationship between economic development and residents' quality of life, through an in-depth analysis of the case of Qingdao, the author believes that the following measures should be taken: First, to ensure that economic growth can be translated into the improvement of residents' well-being, such as raising wages and the quality of daily necessities. Second, strengthen education and vocational training to provide more job opportunities and thus improve the quality of life. In addition, the establishment of a sound healthcare system and support measures for the aging population can not only improve the quality of life but also help to extend the life span. Improving the quality of housing, transport, and the environment has a direct impact on daily life. To mitigate the potential inequities between economic growth and quality of life, equitable tax and social protection policies should be implemented to ensure that economic gains are distributed fairly. These proposals aim to simultaneously promote economic development and the improvement of residents' quality of life, and promote the balanced and harmonious development of society.

5. Conclusion

This study explores the relationship between economic development and residents' quality of life by analyzing the economic and social indicators of Qingdao from 2008 to 2018. Through an in-depth analysis of GDP growth, unemployment rate, per capita disposable income, and average life expectancy, the study shows that economic growth has a significant positive correlation with the improvement of residents' quality of life.

First, Qingdao's GDP grew from about 0.4 trillion yuan in 2008 to about 1.1 trillion yuan in 2018, which is not only reflected in industrial expansion, service sector growth, and increased exports but also reflects the general trend of economic health and prosperity. The increase in GDP provides the government with more tax revenue, which allows it to increase investment in education, health care, and infrastructure. These investments directly or indirectly affect the quality of life of the population. However, the study found that despite the overall economic growth, the unemployment rate in Qingdao did not show a significant downward trend. This could mean that new job creation is not keeping pace with growth in the labor market, or that economic growth is concentrated in highly automated industries that do not require a large labor force. Policymakers therefore need to pay attention to the link between economic growth and job creation. The per capita disposable income of residents has increased from about 20,000 yuan in 2008 to about 47,000 yuan in 2018, and this growth has provided residents with better education, health, and leisure services, thereby improving their standard of living. Higher disposable income is also associated with higher levels of consumption, which in turn can spur further economic growth. Finally, the average life expectancy of Qingdao residents increased from 78.5 years in 2008 to 81 years in 2018, a change that reflects the improved health and quality of life of residents. An increase in life expectancy is an indicator of public health advances and improved medical conditions, and may also reflect improvements in living environments, such as better air and water quality, safer working environments, and healthier lifestyles. In summary, the case of Qingdao shows that there is a close positive correlation between economic growth and the improvement of residents' quality of life. This finding has important implications for policymakers, namely, the pursuit of economic growth should take into account the improvement of social well-being, and ensure that the fruits of economic development are equitably shared by all citizens. In addition, the study highlights the important role of government in responding to changes in the labor market, promoting social equity, and improving public services and environmental quality. By balancing economic growth with the improvement of residents' quality of life, a more harmonious and equitable society can be built.

This research goal can be applied to urban planning, public policy making, social welfare reform, and other fields. For example, by analyzing the relationship between economic indicators and quality of life, a city's infrastructure construction can be optimized, more effective employment and education policies can be formulated, and the overall well-being of residents can be improved.

This field of research has great prospects for future development. With the advancement of data analysis technology and the popularization of big data, the impact of economic policies on residents' quality of life will be more accurately assessed, providing a scientific basis for achieving more equitable and sustainable social development.

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