

Due to the fact that the Republic of Belarus is a country with a transitional economy, it is not yet ready to introduce a full-fledged inflation targeting regime, therefore, at this stage it is recommended to apply a milder form of this regime – with a higher initial level of target inflation, reasonable rates of its reduction and a longer target horizon. If we rely on the world experience of applying inflation targeting, then we should pay attention to the absence of a reverse transition from this regime to another monetary policy regime.

Based on the above, it can be concluded that the inflation targeting regime within the framework of the monetary policy of the Republic of Belarus will be effective in achieving its main goal – price stability, which implies a precise focus on reducing inflation and its stabilization at a low level will contribute to sustainable economic growth in the long term. The advantage of inflation targeting over its disadvantages, as well as the high adaptability of this regime, give good prospects for its initiation in the Republic of Belarus.

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## **HUMAN DEVELOPMENT INDEX OF BELARUS: CHANGES WITHIN 10 YEARS**

The purpose of our research work is to compare the indicators of the Human Development Index (HDI) of Belarus for 2010–2020.

In order to achieve this goal, we have identified the following tasks in the work:

- to study the definition of HDI;
- to determine the position of Belarus in the HDI rating;
- to draw a conclusion about the development trends of Belarus.

Human development is about empowering people to identify and pursue their own paths for a meaningful life, one anchored in expanding freedoms. The index has been published within the framework of the United Nations Development Program in annual human development reports since 1990 [1].

The HDI is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and having a decent standard of living. The HDI is the geometric mean of normalized indices for each of the three dimensions.

The maximum possible HDI value is 1, the minimum is 0. Under what conditions will the index have a value of 1?

- the expected average life expectancy is 85 years;
- GDP per capita – 40,000 USD (by purchasing power parity);
- 100% of the adult population are literate.

Regardless of the level of economic development, countries with a very high level of human development are those in which the HDI is greater than 0.8 (Switzerland – 0.962, Norway – 0.961, according to 2022); countries with a high level of human development are those in which the HDI is in the range from 0.7 to 0.8 (China – 0.768, Vietnam – 0.703, according to 2021); countries with a medium level of human development are those in which the HDI varies from 0.55 to 0.7 (Syria – 0.577, Morocco – 0.683, according to 2021); countries with a low level of human development are those in which the HDI varies from 0 to 0.55 (Pakistan – 0.544, Mali – 0.428, according to 2021) [2].

According to the definition of the International Monetary Fund (IMF), Belarus is one of the developing countries due to its economic performance. With an HDI of 0.807, the country is one of the most developed economies according to the definition of the United Nations.

<b>Country</b>	<b>Years</b>	<b>HDI tier</b>	<b>HDI 2020</b>	<b>Literacy rate</b>	<b>Life expectancy</b>
Belarus	2020	Very high	0.807	99.8	74.23
	2010	Very high	0.790	99.7	70.40

**Table 1 – Human Development Index (HDI) by Country 2023 [2]**

Based on the table above, we can observe the changes that have occurred in Belarus over the ten years from 2010 to 2020. The Human Development Index has grown from 0.79 to 0.807, which is explained by the high level of literacy and quite high life expectancy. The educational system of the Republic of Belarus is undergoing dynamic changes. The universities employ highly qualified specialists. Life expectancy has increased by more than 3 years during the abovementioned period. The Belarusian state plans to increase this indicator to 76.5 years by 2025; to 80 years by 2030.

With an average life expectancy of 74.2 years, Belarusians study for more than 12 years, and the gross per capita income adjusted for purchasing power parity is 18,546 US dollars.

The increase in the HDI is explained by the achievement of the goal of improving the quality of life, attracting investment and innovative development. The Republic of Belarus maintains its position in a number of international ratings, which are important indicators of the country's level of development in certain areas for foreign investors and creditors. Belarus goes 73rd (out of 167 countries) in the Legatum Prosperity Index 2019. Belarus ranks 32nd on education and 45th on living conditions. The country's position on economic indicators improved from 56th to 54th place over the year.

The research work showed that human development measurement indices can be used to determine the desired scale of funding for human development programs at the national and regional levels. The solution to national problems can be found in expanding opportunities for choice, supporting people through innovation, creating fair and equal conditions for development, introducing more effective models of interaction with the planet and nature.

Taking into account the above, the priority areas for the economic renewal of Belarus can be:

- creating conditions for improving the lives of the population;
- development of initiative, entrepreneurship, and competition;
- increasing the volume of effective investment in production and services.

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## **OUTSOURCING IN THE BANKING SECTOR IN THE REPUBLIC OF BELARUS**

Banking outsourcing is the process of full or partial transfer by a bank of certain functions or business processes to a third-party organization that acts as a service provider and manages the process of implementing this service or business process within its own activities.