

Poverty Reduction in Uzbekistan On The Basis Of the State Program: Ways to Reduce and Prevent It

Odilov Rakhmonjon Zokirjon ugli

Student of Master's Department, Tashkent State University of Economics,
Tashkent, UZBEKISTAN

Annotation: *This article discusses poverty, its causes, socio-economic consequences, classification in the world and in the Republic of Uzbekistan, the socio-economic significance of poverty and its scientific proposals and practical recommendations on reduction.*

Keywords: *Human capital, labor force incompatibility, economic development, features of employment, leisure, small business.*

Introduction

At a time of rapid development, the causes of poverty, the socio-economic consequences of poverty among scientists, politicians, statesmen and members of the public around the world, scientific discussions on ways to overcome them, various roundtables and scientific-practical research on causation. Economic development as a socio-economic phenomenon of poverty in the process is interpreted as a consequence of the use of material and intangible benefits and inequality in the distribution of income. The process of globalization has deepened, as a result of the expansion of mutually beneficial cooperation between the states and the socio-economic reforms aimed at achieving the goals set in the United Nations (UN) development programs, despite the positive trends.

The problem of poverty has become one of the most acute problems in the Republic of Uzbekistan, as well as in all developing countries. Especially spreading around the world today the negative social impact of poverty in the context of the coronavirus pandemic and global quarantine is once again evident. Indeed, our esteemed President Sh.M. Mirziyoyev's 2020 In his address to the Oliy Majlis on January 24 in our republic the day as a pressing issue awaiting a solution to poverty reduction brought to order. In this regard, the head of our state is so unique advanced the approach that, according to him, "Poverty reduction is monthly or pension. Increasing the amount does not mean lending. To do this, most first of all, vocational training of the population, increase of financial literacy, in people entrepreneurship, infrastructure improvement, educating children, it is necessary to introduce a system of quality treatment and targeted benefits "[1]. Also, on the initiative of the President of the Republic of Uzbekistan Economic and the establishment of the Ministry of Development and Poverty Reduction as a practical step in the systematic implementation of these tasks not to mention the historical institutionalization of poverty reduction in our country it is also a clear indication that reforms are underway. Of course, as noted above, the world pulpits on a global scale poverty, which is one of the main problems . The correct and most effective way to reduce the number of people employed in the economy increase them to a full-time job that suits them and is highly productive providing conditions for entrepreneurship in rural areas consists of creating. unemployment is also a major factor in poverty the higher the level, the level of modern demand of the labor force incompatibility, the value of human capital in terms of labor productivity can be assessed as lagging behind.

Literature review

Issues related to poverty, its definition and reduction have been studied by a number of local and foreign economists, researchers and practitioners. In particular, among the Uzbek economists and researchers Abdurahmanov K.H. Kholmuminov Sh.R. Djumanova R.F. Ibragimova N.M. Muxitdinova M.Z. Pardaeva B. Saidov K.S. Xashimov P.Z. and in the scientific research of others an in-depth study of poverty issues as a separate problem has been attempted [2]. Researchers from Russia and other CIS countries Arkhangelskaya N. Axmadeev L. Bachurin A. Belozeroval S. Bondarenko L. Burlakova E.V. Vavilina N.D. Varvus S.A. Ivanov N., Goffe N. While the scientific work of [3 - 12] has served to shed more light on issues related to poverty, Gobson D.J., Sax D., Slezinger G.E., William Z., Williams F., Hayvman R. [13]. World Bank researchers increase economic growth found to be limited by the lack of economic freedoms. Liberalization of the economy deprives the poor of property rights, especially land requires the expansion of existing rights.

Research methodology

Inefficient institutions, corruption, and political instability weaken investment in health, grants and government support for education and infrastructure development are human and contributes greatly to economic growth by increasing physical capital [17]. In the last 10 years, the complications of the international financial crisis have been evident in the inequality of income and the growth of the poor then the problem was enriched by a series of empirical studies. The poorer sections of the population have shrunk dramatically, Reagan said since the Great Depression until the government's "accumulation of misguided priorities and unfair policies as a result, Deregulation of the economy in the interests of 1% of the population, as a result of inappropriate use of tax benefits and tax holidays. He emphasizes that the American dream has become a fairy tale. In the economy, studying the experiences of the Scandinavian countries, Singapore and Japan to strive for the restoration of justice and harmony in society by providing full employment calls [18]. A number of other researchers are scattered over many great empires and the population is

impoverished by the fact that states are facing a crisis. The increase in the stratum is only geographical, climatic, religious, political figures factors such as neglect of the issue of poverty proves. In their research, sustainable economic prosperity is in society serving the political and legal interests of all strata equally. That is pluralism and democracy advance societies by enabling talent and creative ideas to be applied in society develops. On the contrary, political and legal decision-making in society. If the dominant layer in the hands of a narrow circle to make, they are another stratum of the population "extractive" organizations are created to exploit and absorb the resources of non-elites. States with extractive organizations and failed to achieve great economic development because of the common people there will be no great desire to engage in entrepreneurship and investment. Poverty alleviation states, political and legal equality of the population, the problem is if they create a healthy environment for their voices to be heard will be an effective solution [16].

Analysis and results

Poverty has been a "closed topic" in our country for many years, and earlier this category was replaced by the concept of "low-income" in the form of mitigation. Thanks to the open democratic policy pursued in our country today, the existence of this problem, the implementation of in-depth analysis of its solution, its reduction and elimination in the future are also openly spoken at the highest tribunes. In particular, in the Address of the President of the Republic of Uzbekistan SH.M.Mirziyoev to the Oliy Majlis on January 24 of this year, poverty was addressed reduction has been identified as one of the priorities. As it is noted in the appeal: "It is not a secret that in the regions, especially in rural areas, the majority of the population does not have a sufficient source of income. As in any country, we have low-income groups. According to various estimates, they make up about 12-15 percent. We are not talking about small numbers, but about 4-5 million people. This means that their daily income does not exceed 10-13 thousand soums or a family may have both a car and a pet, but if a person is seriously ill, the family at least 70 percent of his income goes to treat him.

As President, I want to feed our people, what are their vital needs such as treatment, teaching their children, dressing them. The question of what is going on is tormenting every day. Poverty reduction is in the population awakening the entrepreneurial spirit, full of human inner strength and potential implementation of complex economic, social on the creation of new jobs to implement a policy.

The number of social pensioners in Uzbekistan for the last 2 years is 1.3 increased, the amount of benefits doubled. But low-income to pay social benefits and financial assistance to the population or the amount of them. This problem is not completely solved by upgrading. The purpose of identifying and analyzing the poverty rate is to develop targeted programs for the state and civil society, which are among the poorest segments of the population, as well as the living standards of the population.

The UN defines the poverty line as the income needed for basic goods and services. Poverty rate is a relative concept and depends on the overall welfare level of a particular country. In world practice, there are three common concepts of poverty calculation, namely, absolute, relative and subjective. These concepts do not negate each other, but rather complement each other. The calculation of poverty is carried out in two stages, the first is the definition of poverty, in which those belonging to this category are calculated using a methodology developed taking into account international and local conditions. The most basic condition for this is the correct implementation of statistical observations. The second is its size, value and provide them with targeted assistance by the state.

It is known that the multifaceted indicator of poverty was developed by scientists from the University of Oxford with the support of the United Nations Development Program, and this methodology is used in many parts of the world. It is widely used in the calculation of human development indices. The method of measuring poverty through household consumption expenditures is supported by the International Labor Organization. The non-monetary method involves measuring poverty on three indices: multi-layered poverty (which measures the layers and depth of poverty of the population), material deprivation (determines the level of relative poverty), and social isolation (which measures access to socially significant services). The absolute concept of poverty.

This concept is inextricably linked with the concept of "poverty line". The poverty line is the level of income, gross income, or consumption that is below that level if they are below that level when a person is considered poor. Absolute Poverty Limit: An absolute minimum standard of living based on the ability to afford a limited food basket (consumption of nutrients) and a few additional additional costs.

Absolute poverty is often measured by the number of people or households whose consumption or income level is below the poverty line. The World Bank has set an absolute poverty line of \$ 1.25 per day (the dollar exchange rate is calculated on purchasing power parity). The relative concept of poverty. This poverty indicator sets the relative poverty line and allows the current income of the population to be compared with others.

The real income of the population is increasing if the principle of distribution does not change under increasing conditions, the relative poverty will remain the same. At the same time, the concept of relative poverty is inequality will be the basis for the conclusion that it is an integral part of the concept. However, this that the lower the inequality, the lower the relative poverty does not make sense.

The founder of the concept of relative poverty, the English sociologist P. Townsend, is category due to lack of economic resources of this society an opportunity for most members to continue their usual lifestyle described as not being. His method of poverty analysis based on the concept of "multidimensional deprivation".

Such a situation is defined as “a person, family or group, society or nation in general the observed and substantiated state of helplessness in the landscape”.

Material deprivation in the method of multidimensional deprivation (food, clothing, living conditions, durable goods, place of residence environment, working conditions and characteristics) indicators of social deprivation (features of employment, leisure, education, etc.). The scale of relative poverty does not correspond to the scale of absolute poverty. Absolute poverty can be eradicated, but relative poverty is always will be preserved.

That is, inequality is an integral feature of society. In the community relative poverty even when social standards of living have increased is maintained and even increased. The concept of subjective poverty. According to this concept, only the person considers himself poor and adds to the ranks of the poor tends to put. On determining the level of subjective poverty there are different approaches.

In doing so, by organizing social surveys that a person considers himself or his friends, colleagues, neighbors poor can be determined. It is also based on social opinion to determine the boundary of subjective poverty and its population can be compared with income. In the social protection of the poor an advanced system of cash and in-kind benefits is crucial important. This system is all for developing market relations existing in countries, in mitigating the negative effects of poverty plays an important social protection role.

It covers 169 targets and 230 indicators, including the eradication of poverty and hunger, prevention of malnutrition, inclusive growth through climate change, and the rational use of natural resources.

The 17 areas of the Sustainable Development Goals (SDGs) include:

- eradication of any form of poverty;
- end hunger, ensure food security;
- to lead a healthy lifestyle at any age;
- improving the literacy of the population with quality education;
- ensuring gender equality;
- clean water supply;
- to achieve economic growth and full, high productivity employment;
- has cheap energy resources for general use to be;
- openness, security and environmental protection of cities and villages ensuring stability;
- industrialization, innovation and infrastructure development;
- reduction of inequality;
- increasing responsibility for consumption and production;
- fight against climate change;
- ocean and sea rational use of resources;
- ecosystem, biodiversity and forest conservation;
- formation of a peaceful society.

Reducing poverty and fighting hunger requires food production and investment in the sector. According to data released by the UN, 85% of the world's population lives in rural areas. This is a population of about 3.5 billion. 800 million people in the world suffer from hunger. By 2030, the world's population is projected to reach 8.3 billion, which is self-evident the sharp increase in demand for agricultural development is in fact, an increase in the problems associated with increasing the level of resource productivity. The second of the "green revolutions" that began in the 20th century indicates that it is time to start the wave.

Poverty undermines a nation's health, ability to work and scientific potential. It will also result in a reduction in the state budget and a sharpening of political processes. In this place he won the 2019 Nobel Prize in Economics it will be important to remember that scientists have also been rewarded for their research on poverty reduction around the world. These are American Michael Kremer and Abhidjit Banerjee of Indian origin and his wife, Esther Duflo, who put social innovations into practice to identify and eradicate poverty.

Their research found that the factors that contribute to poverty, along with the diagnosis of the condition, can be eradicated in every country, region and family section. In the natural sciences and medicine. Using a wide range of experimental methods, these scientists conducted research on the detection and reduction of poverty on the basis of field experience on the example of families and individuals in Kenya and India asked the following main question: education in poor countries. Is a free lunch useful or a study guide for students?

Many experiments conducted by them (this experience is 20 years carried out during) confirmed that free lunch and additional training the manual has a less significant effect on students mastery performance unless you specify. Therefore, schools need a variety of modern teaching tools financial, aimed at improving the material and technical base cost realization, with free lunch and clothing for students such measures as to ensure that the sand is absorbed as water is sprinkled.

An indicator of mastery and raising the level of knowledge of students key factor: the form of teaching and the quality of teaching of teachers increase, strengthen individual approach to students (lesson content and worms that plague children. As long as it depends on ensuring that they are. Located in the body of children no matter how much knowledge a child has without being free of parasites is his mind and the World Health Organization that the mindset does not expand confirmed.

So far, the UN, the World Bank, the World Monetary Organization and various billions of dollars to poor countries by funds. The value of financial assistance, despite the fact that subsidies are directed to the population increased literacy, self-employment and entrepreneurial ability did not exceed. These states are poor could not escape the ball.

There are more employment opportunities, more food and more income for those who produce and sell agricultural products during the harvest. However, during periods of low agricultural activity, income is usually low and food is often sourced or purchased from stock. Although this ratio has been declining over time, household consumption in the lower four decilitations on the income scale almost two-thirds of spending is still on food which is important between agriculture, food prices, lack of food security and poverty. Significant variability in household income it is also related to seasonal labor migration, while seasonality is the domestic economy also present in many other areas of activity, such as construction.

Gross interior the rate of poverty reduction was low due to product growth. On the high growth rate of Uzbekistan and the stability of GDP based on the experience of the countries being compared, taking into account the data a faster rate of poverty reduction could be expected. The last few generations are people who have come out of poverty completely most resulted in an increase in income as a result of employment. Uzbekistan is a great example of this dynamic: 10 years of labor and the growth of small business incomes is a reduction in poverty and overall led to the attainment of prosperity. Coming from wages and business today income households among the poorest families in Uzbekistan is the main source of income.

In addition, the importance of these sources of income in the last decade increased pensions, social assistance programs and more the role of income types has diminished. But in the labor market of Uzbekistan there are significant vulnerabilities.

Countries of the International Monetary Fund (IMF). According to a recent report, the labor reserve employs 500,000 new workers per year despite the addition of a marked increase in employment production and lags behind revenue growth. There are fewer employment opportunities among poor families; better provided people have much higher average labor incomes.

General according to official data, 38 percent of the working population is employed informally busy (43% are young people). A large part of this workforce is formal social insurance means that you are not using the software. In 1990, World Bank experts used it in poor countries proposes to measure the number of poor people in the world using standards they had done. A study of the national level of poverty in 15 countries and procurement using exchange rates based on ability (purchasing power; whole calculated on the basis of these prices in the world) recalculated.

This is to accurately compare the price of a package of goods and services in all countries made. As a result, experts are in six of the poorest countries under study the poverty rate is close to \$ 1 per person per day did. This figure was adopted as the first international poverty line. The world as disparities in the value of life in their countries increase the bank periodically reviews the global poverty index faced the need. In 2005, the World Bank made the world the poorest. This indicator is based on the level of poverty accepted in the countries recalculated. As a result, the global poverty line has risen to \$ 1.25. In 2015, the limit was revised to \$ 1.9. World Bank Report on Poverty and Welfare Published annually since 1990. Released in October 2018 according to the report, the international poverty line is \$ 1.9 per person per day. The amount did not change. But new definitions and dimensions of poverty including social poverty.

This figure is absolute and relative combines the concept of poverty. It is also a utility in terms of poverty income levels services (water, electricity), health or education a multidimensional poverty indicator was introduced because it did not reflect. That's it according to the concept, the share of the poor at the global level is monetary poverty about 50 percent higher compared to. Below average in the World Bank, Medium and high - countries with incomes of \$ 3.2, \$ 5.5 and \$ 21.7 lower and higher levels of poverty were adopted for. The experts say that these indicators are based on income criteria and they are trained access, health care, water and electricity. For Uzbekistan, the poverty line is living on less than \$ 3.2 a day, for example, if a family of five earns less than \$ 480 or 4.6 million soums a month, the family can be considered poor. It is known that since 2018, the World Bank is the center of "Development Strategy" is implementing a project "Listening to the citizens of Uzbekistan" in cooperation with The project is led by William Zeitz, an expert at the World Bank's Global Practice Center for Poverty and Equality. "District poverty in Central Asia, average consumption and middle class indicators ". It is poor and maps of the middle-class residential areas of the entire region, as well as each one country, in particular Uzbekistan. In order to achieve the results presented in the report, "Citizens of Uzbekistan. Questionnaire data from the project "Listening" and at the district level different by combining indicators from open sources from research methods that allow the evaluation of calculated indicators used.

Assessment methods at the level of small districts are indicators of well-being aimed at increasing the accuracy. Most of the evaluation results are state develop the necessary policy measures and reduce poverty increase the effectiveness of focused efforts or at the local level funds to address the problems of social groups used in separation. Poverty maps are regional in many countries and regions identifying differences, as well as reflecting different aspects of well-being, understand the factors of income distribution and identify the necessary measures and used for development.

Poverty of the world's population by the World Bank the main purpose of assessing the level is the possibility of international comparisons is to bring the transmitter to a single standard. Indicators obtained on this basis World Bank, United Nations member states and others in achieving the development goals set by the partners useful in conducting stability monitoring.

A distinctive feature of the method used in the report is that it is here countries outside the international poverty line (\$ 1.9 per day) on income, taking into account the characteristics and stages of development other poverty lines were applied.

In particular, the income level is average the poverty rate for low-income states is \$ 3.2 per day and the income level at \$ 5.5 per day for countries above average marked. The results show that in most regions of Uzbekistan the poverty rate was \$ 3.2 per day.

This is Central Asia slightly lower than in other countries (Tajikistan, Kyrgyzstan) is an indicator. Research on the project "Listening to the citizens of Uzbekistan" conclusions were used to determine the comparative level of poverty. These estimates put the share of the population below the poverty line at \$ 3.2 per day in 2018, up 9.6 percent from \$ 5.5 per day and the poverty rate is 36.6 percent.

Analysis In some regions of Uzbekistan, incomes are uneven means that it is distributed. High level of poverty Tashkent, Samarkand, Surkhandarya, Andijan regions and the Republic of Karakalpakstan observed in some districts. In the total population of the middle class. The lowest share is in Samarkand, Surkhandarya, Andijan, Syrdarya, Tashkent, Khorezm regions and some districts of the Republic of Karakalpakstan corresponds to the share.

Conclusions and suggestions

Of course, as noted by the President, poverty reduction does not mean an increase in salaries or pensions, mass lending. To do this, first of all, vocational training, financial literacy, entrepreneurship, infrastructure improvement, education of children, quality treatment, targeted benefits system should be introduced. In this regard, the draft program of poverty reduction in Uzbekistan we found it appropriate to state some thoughts, ideas and suggestions:

- poverty reduction, living standards and as the most important priority of socio-economic development of the country more attention should be paid to reducing unemployment. It works as well as relevant government agencies, increasing the responsibility of citizens, the individual conditions of each person taking into account, supporting those who cannot help themselves independently active and effective policy, public and private sector for these purposes attracting resources is important;

- Our people in cooperation with non-governmental organizations development of the most advanced programs of entrepreneurship training and the profession strengthening the activity of non-governmental organizations in education;

- The most important way to increase the income of the family budget of citizens development of home-based labor as one of the effective forms need. This includes the purchase of modern machinery, equipment, raw materials and supplies the ability to use financial resources to make them marketable implementation and organization of home-based production. In order to help find customers, the demand in the market is high with other business entities in the production of products assistance in expanding cooperation;

- Vocational training, retraining for people in need of employment and expanding the training system, taking into account market needs, take measures to create optimal conditions;

- Increase the real income and purchasing power of the population per capita by setting the social division of labor in the right direction the volume of production of incoming goods and services, labor productivity sharp increase;

- the population living in poverty or on the border from soft loans allocated for poverty alleviation and the population microcluster structures in the targeted, efficient use of land.

In conclusion, it should be noted that today is the initiative of our President with the problem of poverty reduction in Uzbekistan rose to the level of. This problem is the most difficult aspect of reforms in the country the whole stratum of the population to reduce it by emphasizing that need to merge. Achieving the well-being of our people is constant for helpless families active participation in the creation of a source of income reforms in this area helps to accelerate. This is a responsible task for scientists in the first place not to forget. In my opinion, in higher education institutions in this direction it is time to set up scientific research. In this regard, we are the world we need to learn from experience. At that time, our President said we will be able to create and implement the methodology.

References:

1. President of the Republic of Uzbekistan SH.M. Mirziyoyev's Address to the Oliy Majlis of January 24, 2020. People's Word newspaper, January 25, 2020, № 19 (7521)
2. Abdurahmonov Q.X., Kholmuminov Sh.R. "Labor Economics and sociology. Textbook -T .: Publishing House of the Literary Fund of the Writers' Union of Uzbekistan, 2004.
3. Arkhangelsk N. Traps of poverty .: Expert. - No. 16.12.02.2010g. - p.2-5.
4. Akhmadeev L. Poverty: a social portrait of the phenomenon .: Economics and control. - 2010 - No. 4.- 78 p.
5. Bachurin A. Economic and social policy of the state on improving living conditions .: Economist.-2003.-№8.-p. 23-27, pp. 23-26.
6. Belozerova S. Minimum for survival // Labor relations. 2003. No8. Poverty: alternative approaches to definition and measurement.
7. The Carnegie Moscow Center. M., 1998.
8. Bobkov V.N. Differentiation of welfare // Economist. 2005.61.
9. Bondarenko L. Measurement of rural poverty (methodology and experience).
10. Economics and Management.- No. 10- 2009.- p. 15-23.

11. Burlakova E.V. Analysis of the phenomenon of poverty and its essence in modern Russia // Social Worker. 2000. No. 1.
12. Vavilina N.D. Poverty in Russia as a social problem. Novosibirsk, 2000.
13. Varvus S.A. "Profile" of modern poverty .-: Bulletin of Taganrog Institute of Management and Economics.- 2010.- p. 45-56.
14. Hobson, J. Problems of poverty: Per. from English / Edited by L. Zak. Vol. 2. - M.: Book house "LIBROCOM", 2011. - 216 p.
15. Gulnora Abdurakhmanova, Nargiza Shayusupova, Aziza Irmatova, Dostonbek Rustamov "The Role of The Digital Economy in The Development Of The Human Capital Market" International Journal of Psychological Rehabilitation, Vol.24, Issue 07, 2020 Issn: 1475-7192.
16. Sen A. (1981) Poverty and Famines: An Essay on Entitlement and Deprivation. Oxford: Clarendon Press;
17. Muxitdinova M.Z. "Assessment of living standards: analysis and efficiency" - International scientific electronic journal of finance and accounting. № April 2, 2019.
18. K. Deininger (2003) "Land policies for growth and poverty reduction", World Bank Policy Research Report. A copublication of the World Bank and Oxford University Press.
19. Saidov K.S. and others. Social economy-T.: "Uzbekistan", 2006. 365 p.
20. World Economic Outlook, International Monetary Fund. April 2018. Chapter IV. P. 8.
21. <https://repost.uz/raboti-net>
22. <https://www.worldbank.org>
23. <https://www.undp.org>