

Problems Of Poverty And Destitution, Causes And Factors Of Its Occurrence

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Abstract: *the impact of the ongoing pandemic conditions today, along with the state economy, on the financial situation of the individual was also high. Poverty and poverty levels began to rise. This article provides an analysis of the causes of poverty and destitution, which have a negative impact on the economy, guidelines for combating it, and the social situation in the world, including Uzbekistan. The policies and ways of combating poverty in Uzbekistan were discussed in detail, and the role of the individual in economic growth was highlighted.*

Keywords - poverty, destitution, social life, subsistence minimum, need, demand, supply, households, incomes, taxes, socio-economic life, consequence, stratification, inflation

1. Introduction

There is no single definition of poverty. While some understand poverty as the inability to meet basic human needs (food, clothing, housing, education, and health), others see insufficient freedom of choice or 1.90 per day. and a third party - a constant range of social, educational and health barriers that undermine human participation in the socio-economic life of society. Overall, poverty assessment requires a number of clearly defined skills and methods. There are two indicators used to measure the level of human well-being in a given period: per capita income or per capita consumption expenditure.

Poverty is not only an economic but also a profound social and cultural problem. Poverty is one of the most serious problems of the present period, hindering the successful economic development of the country, limiting the population's access to various goods, which leads to negative consequences due to the high stratification of income in society, which in the future will lead to irreversible situations. The negative economic and social processes taking place in the country lead to inequality and stratification of society.

2. METHODOLOGY

Poverty in developing countries. One of the most pressing issues in the global economy is poverty in developing countries. The World Bank uses per capita income and expenditure to measure poverty in the population. At the expense of the population:

- minimum human food needs;
- costs for goods and services that meet the subsistence level.

In the science and practice of world economics, there are absolute, relative, and subjective methods of determining

poverty in the population. Absolute poverty includes households and individuals with incomes below a certain absolute minimum. Relative poverty includes households and individuals whose incomes do not meet the standard consumption patterns formed in society. Subjective poverty is the result of the population's assessment of their financial situation. The absolute value is related to the economic approach to poverty reduction, and the rest to the integrated approach. A number of criteria proposed by the World Bank are used to determine absolute poverty. One of the most common indicators in the world is the concept of absolute poverty (up to \$ 1 in 2008), where daily income or expenditure per capita does not exceed \$ 1.25 (in terms of purchasing power). This is the absolute poverty line, and there are currently 1.4 billion people in the world. International economic organizations also use the daily income of \$ 2.0 and \$ 2.5 to measure poverty in the population.

The analysis shows that in low-income countries, 83.2 percent of the population lives below the poverty line, earning up to \$ 2.5 a day. This figure is not less than 85.0% in some countries of Africa and Asia (Mali (87.2), Nigeria (86.3), Liberia (97.0), Madagascar (95.4), Bangladesh (86.2)) 4 Ways to reduce poverty in developing countries include:

- ensuring sustainable economic growth;
- increase in production and wages;
- job creation and employment growth;
- reduction of income inequality;
- development of education and healthcare systems;
- stabilization of inflation.

In Brazil, India and China, which have successfully implemented the above-mentioned poverty reduction measures, the share of people living below the poverty line has fallen sharply. In particular, in Brazil this figure was 17.2% of the total population in 1990, up to 6.1% in 2009, in India from 49.4% to 32.7% in 1983-2010, and in China in 1990-2008. decreased from 60.2% to 13.1%. However, the economic development of developing countries depends on the domestic situation in each country and the economic policies pursued by governments.

In the economic literature, the concept of living standards as an economic category encompasses the extent to which the population lives. In world practice, the following types of living standards are distinguished:

- abundance
- means the use of benefits that ensure the full development of man;
- normative level - means rational consumption within the framework of science-based norms that ensure the reproduction of human physical and intellectual abilities;
- Poverty - the use of material goods within the lower limits of labor reproduction;
- Poverty is a measure of the minimum use of material goods according to biological criteria.

The number of people living in poverty in the world in 1999 was 1.7 billion. per capita, as a result of international interventions between 2000 and 2016, the number of employed people whose daily subsistence costs did not exceed \$ 1.90 fell by an average of 28 per cent to 10 per cent. The figure is 38 percent in economically backward countries. These data show the extent to which poverty is a pressing socio-economic problem. The concept of poverty is defined by experts from the United Nations Development Program (UNDP), which is an international social organization, as follows: is a feature that reflects the economic conditions of inability to meet. ” Experts from the Office of the United Nations High Commissioner for Human Rights define poverty as follows: “Poverty is an economic and social right, including access to health, housing, food and clean drinking water, and impedes or completely restricts the right to education.

It has a direct impact on civil and political rights, including the right to justice, participation in the political life of society and personal security. ” In world practice, there is no single approach that combines the socio-economic and legal aspects of the concept of "poverty". The methods and techniques used to identify and assess poverty are radically different. Poverty can be measured by a lack of income (in absolute terms), money, and intangibles. As a result, the scale of poverty varies depending on the method used. The definition of poverty in the economic literature is as follows: “Ownership and income below the subsistence level, which is based on the level of socio-economic development of the

country and recognized by society those who do are considered poor. They do not have access to social services such as health, education, or culture because of their poverty, low income, or unemployment. As a result, their living conditions are deteriorating. ” Based on this definition of poverty, it can be said that the continuous provision of social protection, social security and social services to the socially vulnerable segments of the population will enable them to provide a decent standard of living. In the world practice, the population is divided into three groups according to their social needs, and the representatives of this group have the opportunity to receive social benefits in the countries on the basis of targeted, relevant inspections.

People at risk of poverty are those who have incomes below the poverty line established in the country, and their incomes are equal to 60 percent of the average income in the country through the provision of social benefits. The poorest segments of the population are those who have lost at least four of the following nine cases:

- payment of rent or utilities;
- adequate heating of the house;
- Reimbursement of accidental expenses;
- Consumption of meat, fish or their substitutes every two days;
- at least a week off outside the house;
- car;
- washing machine;

The causes of poverty are varied and interrelated. The causes of poverty are grouped into the following groups:

- economic (unemployment, low wages, low labor productivity);
- socio-medical (disability, old age, high morbidity);
- demographics (single-parent families, large number of dependents in the family);
- socio-economic (low level of social guarantees);
- education (low level of education, lack of professional training);
- political (military conflicts, forced migration);
- regional-geographical (stratification of regional development).

There are many factors that affect the level of poverty in a country and they are closely interrelated. The following factors affect the level of poverty:

- gross efficiency of the economy;

Tarkibi the structure of existing households in the country and their access to the economic system;

- amount of expenses for financing social programs;
- Types of social programs implemented and their level of effectiveness.

In world practice, there are the following concepts of poverty detection:

1. The absolute concept of poverty. This concept is inextricably linked to the concept of poverty line. A person is considered poor when the poverty line is below the current level of income, gross income, or consumption. Absolute poverty is often measured by the number of people or households whose consumption or income is below the poverty line. The World Bank has set the absolute poverty line at \$ 1.90 a day (the dollar exchange rate is based on purchasing power parity).

2. The relative concept of poverty. The relative poverty rate defines the relative poverty line and compares the current income of the population to that level. Relative poverty will remain the same if the distribution does not change in the context of rising real incomes. The English sociologist P. Townsend, the founder of the concept of relative poverty, described this category as the inability of many members of society to continue their normal way of life due to lack of economic resources. He based his analysis of poverty on the concept of multidimensional deprivation. He understood such a situation as "a helpless state of an individual, family, or group observed and justified in the state of society or the nation as a whole." P. Townsend used the method of multidimensional deprivation, in which material deprivation (food, clothing, living conditions, durable goods, living environment, working conditions and characteristics) is reflected in the indicators of social deprivation (work). features such as employment, leisure, education, etc.).

World practice shows that the relative poverty rate does not correspond to the absolute poverty rate. Inequality is an integral feature of society. Relative poverty persists and even worsens as living standards rise in all walks of life.

3. Subjective poverty. According to this concept, only an individual can determine poverty. There are different approaches to determining the level of subjective poverty. Find out how many people think they or their friends are poor. It is also possible to define a subjective poverty line based on social opinion, and then compare it with the income of the population.

Poverty indicators are often used to determine the right of certain categories of the population to receive social assistance. They are:

1. The absolute level of poverty is the lowest level of living, which is determined by the basic food, clothing, shelter, etc., which a person needs to meet his or her basic needs.

2. Relative poverty rate. This indicator shows the level of the minimum consumer basket required for the average standard of living in a particular country (region). Relative poverty takes into account social needs as well as social needs.

The classification of the population on the basis of the minimum subsistence level and the minimum consumption budget allows to distinguish the following groups of the population with different levels of income:

- "poor" families - their per capita income is less than or equal to the subsistence level;

- "low-income" families - where the per capita income is between the minimum subsistence level and the minimum consumption budget;

- "affluent" families - where the per capita income is between the amount of the minimum consumption budget and the amount of the rational consumption budget;

- "Rich" families - their per capita income is above the level of a reasonable consumption budget.

The United Nations Development Program (UNDP) introduced the Poverty Alleviation Index in 1996. According to this idea, the complex of human needs is crucial for the lack or insufficiency of opportunities to live a long and healthy life, education, decent living, which is crucial. should be evaluated as an allie.

The Poverty Index is the arithmetic mean of the following indicators:

- the proportion of children who do not have qualified health workers at birth;

- The proportion of illiterate women 15 years of age and older;

- Percentage of children under 5 years of age lagging behind. The idea was further elaborated in a 1997 global report, the Poverty Index.

The Poverty Index is calculated based on indicators in key areas of human development:

- lack of opportunities for a long and healthy life;

- deprivation of education;

- Deprivation of decent living resources.

From the above, it is clear that the Poverty Index and the Poverty Index focus on the proportion of people who do not have sufficient opportunities in key areas of human development. These indicators fully reflect the situation of poverty and are an important tool in identifying groups or households in need of this or that type of assistance.

The Multidimensional Poverty Index, introduced in 1997, provides a more complete picture of the situation of people living in poverty and allows for comparative

comparisons between countries and regions and the world. The Multidimensional Poverty Index is based on the following data, which are open and comparable to most developing countries: - Demographics and health surveys; - UNICEF Multi-Indicator Cluster Review; - World Bank Health Examination.

Modern anti-poverty strategies include a strong market economy and a family system, targeted government social programs in the form of social insurance, social security programs, in-kind, tax breaks, and soft loans. The first condition for the fight against poverty is the existence of a developed market economy and family system.

A developed market economy is an important factor in ensuring full employment in the country, providing workers and their families with adequate wages to lift them out of poverty. The second part of the poverty prevention strategy is social security programs. The unique feature of social insurance programs is that they provide social protection to all members of society, including the poor. The most common type of social insurance in the United States is old age, bereavement, and disability social insurance, and it is provided as social security.

Another type of social security is unemployment benefits. The system works like pension, disability and bereavement insurance programs, but is funded by employers, not workers, at the request of the state. These benefits are paid as unemployment benefits to workers who are forced to resign (such as redundancies). An important type of social insurance is compensation for medical care and cash benefits provided to workers to treat work-related injuries or occupational diseases. The government's social assistance program is an integral part of its anti-poverty strategy. In this case, the state provides social support to those whose families are broken, who do not have a paid income, and who are disabled. Social assistance is provided to families in temporary distress as general assistance and additional social income. These grants are funded from general tax revenues.

The last direction of the anti-poverty strategy is social assistance in the form of in-kind and tax benefits. To this end, in 1975, the United States adopted a program of income tax benefits. Under the program, tax breaks are available to poor Americans living on less than \$ 30,000.

Analyses show that the amount of tax credit may increase depending on the number of children in the family. In world practice, the following goals can be achieved by setting a poverty line:

- international comparison - monitoring and evaluation of the implementation by countries of their obligations to implement international agreements or recommendations of international organizations;

- at the national level - substantiation of policies in the field of employment, wages, social protection, investment and taxation aimed at reducing poverty in the country;

- Research - to identify the causes and factors of poverty, to identify the needs of vulnerable groups, to assess the effectiveness of national and regional programs to combat poverty and to justify compliance with relevant recommendations.

In countries, the practice of taking into account the composition of households, their needs, incomes and types of poverty is widely used in determining the poverty line or at the national level.

The World Bank experts have set the poverty line in the following ways:

- Until 2008 - 1 US dollar;
- 2008-2017 - \$ 1.25;
- Starting in 2017 - \$ 1.90.

In addition, World Bank experts identify the following types of poverty:

- Poverty - \$ 1.90. and kam;
- Moderate poverty - \$ 1.90 - \$ 3.10 interval.

Even in the most prosperous countries, pandemic employment and poverty reduction remain a major challenge. The number of unemployed in our country also increased during the quarantine. Therefore, employment and income growth have been identified as one of the main priorities of our state policy. Comprehensive and regional programs have been developed in this regard, and the tasks of ministries, municipalities, agencies and organizations have been defined. According to him, the Ministry of Economy and Industry has been reorganized as the Ministry of Economic Development and Poverty Reduction, with a special focus on increasing incomes and reducing poverty by supporting the creation of new jobs.

Comprehensive and regional programs have been developed to help the vulnerable, and the responsibilities of ministers, governors and sector leaders have been defined. However, the pandemic has a great impact on the fight against poverty. In order to mitigate the effects of the pandemic, a nationwide movement "Generosity and Support" was launched. During the quarantine period, more than 127.7 billion soums were spent on large families in need of social protection, single people and people with disabilities, as well as about 321,000 temporarily unemployed families who have lost their income. Small business, entrepreneurship development is the most important factor in reducing poverty. Poverty reduction through entrepreneurship training and professional development has been identified as a key priority. In this regard, the proposal to establish small industrial zones on non-agricultural and vacant lands around well-developed and

densely populated areas is of great importance. It is planned to allocate large funds from the budget to create the necessary infrastructure in these areas. So, the issue of funding for the work has been resolved.

President Shavkat Mirziyoyev has introduced a system of mahalla work. Officials stressed the need to visit the mahallas to study the problems of the population and assess the existing opportunities. He said that in order for these employees to have a sufficient level of knowledge, 20,000 employees should be trained and empowered to solve problems on the spot. As a practical expression of this work we can cite the following example. Today, community workers are studying the problems of the population and directing unemployed youth to existing jobs. Girls from low-income families in the neighborhood are provided with sewing machines free of charge, and special free courses are organized for them to learn sewing skills. They have even been awarded a scholarship. It is obvious that the President is taking all necessary measures for the welfare of the population. Now the real conditions are analyzed at the level of each neighborhood, district, city and region. To do this, first study the real situation with poverty, and then create a map of the potential of the district and the city, natural resources, land and infrastructure opportunities. This is important for setting a plan of action for poverty reduction.

China's experience in poverty reduction may be the best example for Uzbekistan in solving this problem. The implementation of the concept of "building a prosperous society by 2021" will play an important role in reducing poverty in China. The unique "road map" outlined in this document can be applied in Uzbekistan as well. China is taking many steps to reduce poverty. In particular, every leader or party worker should take care of the people and sponsor four or five families. Low-income people receive seeds, seedlings, microcredits, information services, technological assistance, bonuses and other incentives instead of social benefits. The population will be taught the basics of working in a market economy and financial literacy. In addition, local courses in local animal husbandry, agriculture and other areas will be offered. Each family member must have at least one occupation. The needy families will receive 100,000 yuan (about \$ 14,000) to improve their living conditions, he said. With the support of the local government, low-income families can set up a repair shop, a farm or a small production workshop. The poor are provided with social guarantees - education, health care and housing. In this way, the government has established a trusting relationship with the people and has made some progress in this direction. China has lifted more than 800 million people out of poverty since the 1980s, when economic reforms began. 2020 has been declared the year to end poverty. Today, the main occupation of the population, especially in rural areas, is labor in small manufacturing enterprises, family business. Almost all products are delivered to consumers through online sales. The State Council has a Committee on Poverty Alleviation.

3.CONCLUSION

We consider it appropriate to use the experience of the Chinese state mentioned above to eradicate poverty. Because these directions are more suitable for the conditions of Uzbekistan. It is also necessary to address the existing shortcomings in the industry.

In particular, the living standards of the population, the level of poverty, the living conditions of the population should be thoroughly and accurately studied by the authorities. Employment needs to be addressed by studying the problems of the poor and assessing their potential.

By fully utilizing the existing reserves in all sectors, it is possible to achieve additional economic growth, ensure macroeconomic stability. should be avoided.

The industry also has additional reserves. It is necessary to extend the "industrial chains", especially in the fields of chemistry, metallurgy, mechanical engineering, electrical engineering, pharmaceuticals, construction materials, textiles, leather and footwear, which are the priorities of the economy.

It is necessary to transform large state-owned enterprises, optimize the cost and management system.

There are many untapped opportunities in the service sector as well. He stressed the need to increase the number of service points in the regions and expand new modern services.

Unemployed, low-income families in need of social protection should be encouraged to have a steady source of income through employment.

World experience shows that even in economically strong countries, there can be a poor population, that is, material stratification in society. There are countries where the economic growth rate is good and the poverty rate does not change. This is usually the case in countries with rapid population growth and economic growth only in certain areas. Wealthy countries can solve the problem to some extent by strengthening social protection. But this is not the complete solution.

We don't think that giving money to people can reduce poverty. Factors influencing poverty reduction include economic development, entrepreneurship, education, and health. Therefore, even in a pandemic, if you take measures that serve economic development, then you are fighting poverty. If economic development, on the one hand, reduces the level of poverty, on the other hand, an increase in the level of poverty reduces economic development. How does this happen? If poor families do not have good access to health and education services, they will continue to impoverish and demand for the economy will decline. The economy cannot meet the need for highly qualified personnel, which leads to a decline in economic performance

The main thing is to form a movement among the working population to earn a good income and strive for a better life. For this, the state must create all the conditions. First of all, it is necessary to create a perfect legal framework, a system that is equal for all in society, that will help them to fully express their abilities and talents.

Poverty is reduced not only by government support, but also by people's own aspirations. The important thing is to help someone in need of social protection, to help them cope with problems and to stand on their own two feet. In conclusion, a good life does not happen by itself, it requires work. No one creates a beautiful, full, prosperous life for us, we create it by our own efforts.

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