

## THE ROLE OF THE STATE AND THE INTERNATIONAL COMMUNITY IN THE FIGHT AGAINST POVERTY IN UZBEKISTAN

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### Abstract:

Poverty is one of the serious social problems faced by many countries, including Uzbekistan. Despite significant progress in economic development, uneven distribution of income and social resources remains one of the main causes of poverty in the country. In this article, we will consider the main factors, ways of fighting against poverty and the measures taken by the government of Uzbekistan to solve this problem.

**Keywords:** poverty, national, international, GDP, poverty line, macroeconomic policy, diversification, consumption basket, international organizations, welfare state.

### Introduction

Uzbekistan is one of the largest and most populated countries in Central Asia. Despite significant progress in economic development and poverty reduction in recent years, poverty remains a serious problem in the country. One of the main causes of poverty in Uzbekistan is the high level of unemployment. Although the government is taking measures to create new jobs and stimulate economic growth, many people are still unemployed or working in the informal economy, where wages are low and social protection is limited [1,2,3].

According to the definition of the World Bank, poverty is a characteristic of the economic situation of a person or a social group, in which it is understood that they cannot meet a certain range of minimum needs necessary to maintain the ability to live and work. When assessing the level of poverty in countries, experts usually use different indicators and study poverty at the national and international levels. In most countries of the world, the national poverty line means an income below the subsistence minimum, that is, not allowing to cover the price of the consumer basket - the most necessary set of goods and services by the standards of a given country. The international poverty line includes the population with an income that ensures consumption of less than 2 US dollars per day in terms of purchasing power. They focus on the amount of gross domestic product produced per capita. But in such a case, the average GDP per capita in a country may be high, but this income does not reach the poor, that is, in practice, the country's income may be unevenly distributed among the population, so economists consider the population of the country living below the poverty line they try to use more accurate indicators of the number [4,5,6,7].

### Methodology

Until recently, the problem of poverty in Uzbekistan was closed at the official level. Economist B. Rajabov comments on this matter as follows. "The names of various initiatives of international



organizations to reduce poverty in our country (Poverty Reduction Strategy document) have been corrected and have been placed as projects aimed at increasing the standard of living of the population. At the same time, the concept of "poverty" was not used at all in state documents. Thus, there is an impression that there are no poor people in the republic." After the decree of the President of the Republic of Uzbekistan dated March 26, 2020, No. PF-5975 "On radical renewal of state policy in the field of economic development and measures to reduce poverty", the approach to this issue has fundamentally changed [8,9].

The decree indicated the need to ensure consistency in the activities of ministries and agencies related to structural changes and economic development, and to quickly identify and eliminate the following problems and obstacles:

- Due to the lack of a coherent system of development and implementation of measures aimed at reducing poverty, a coordinating body, legal bases, assessment methodology and criteria, as well as specific tasks of social support and involvement in entrepreneurship in this regard, the relevant groups of the population the effectiveness of ongoing work remains low;
- The specific approaches and principles of socio-economic development of regions are not fully formed, the interdependence between the regional and sectoral development of the economy is not ensured, the existing potential and "relative superiority" criteria are irrationally used in the development of regions, production human capital and demographic factors are not taken into account in the distribution of forces;
- Defining specific approaches to the development of small and medium-sized businesses, systematizing activities aimed at targeted financial and non-financial support of entrepreneurship in our country, especially training the population in entrepreneurship and professions, including shortcomings in the organization of entrepreneurial activities, etc.

In order to implement an effective macroeconomic policy in our country, as well as to ensure sustainable economic growth and reduce poverty by improving the business environment, the Ministry of Economy and Industry of the Republic of Uzbekistan Economic Development of the Republic of Uzbekistan and transformed into the Ministry of Poverty Reduction [9,10,11].

Also, President Shavkat Mirziyoyev, in his speech at the ceremony dedicated to International Women's Day, announced that Uzbekistan will spend 700 million US dollars on the anti-poverty program in 2020. "We need to realize one fact: to reduce the level of poverty, first of all, it is necessary to reduce the level of unemployment. For this, it is necessary to train the population in modern professions, to increase their economic and financial literacy. Let people, especially women, have a desire for entrepreneurship." said the head of our state [12,13,14].

Over the past 15-20 years, the GDP growth in Uzbekistan has been 5% and above, which serves to gradually diversify the economy. According to the UN (PROON), the income poverty rate fell from 24 per cent in 2000 to 11.5 per cent in 2020, lifting 2.2 million people out of poverty. But the COVID-19 pandemic has pushed another 1 million people into poverty.

The development strategy of the new Uzbekistan sets very ambitious goals, such as halving poverty by 2026 and achieving an above-average income level of the population by 2030. This presents an unprecedented opportunity for the country's growing youth population to become agents of positive change. But the potential of these young people can be opened only by creating new jobs suitable for the 21st century, essentially decent jobs.

According to the data of the State Statistics Agency, in 2022 the total income of the population in



the regions of the Republic will be 634.8 trillion. Soum and the nominal growth rate was 122.3%. At the same time, due to changes in consumer prices, the real growth rate of the total income of the population compared to the same period of 2021 was 109.7%.

### Results and Discussion

When we analyze these indicators in the section of Tashkent city and republican regions, the total income per capita is 37518.0 thousand soums in Tashkent city, 27420.4 thousand soums in Navoi region, 21382.0 thousand soums in Bukhara region, Khorezm We can see that in the region of 19643.5 thousand soums and in Tashkent region it is 18129.4 thousand soums, which are higher than the average national level. At the same time, the lowest indicators of total income per capita were 13,253.4 thousand soums in the Republic of Karakalpakstan, 13,607.9 thousand soums in the Fergana region and 13,880.7 thousand soums in the Namangan region. we can see. Compared with the total annual income of the population in the city of Tashkent, in our last 3 economic subjects 2,

Such inequality in the distribution of income is one of the important components of the problem of poverty in Uzbekistan. Some areas of the country, especially rural areas, have higher levels of poverty than others. Large cities such as Tashkent have a higher level of development and more opportunities for income and social support, while remote and underdeveloped areas remain underdeveloped.

One of the main causes of poverty in Uzbekistan is the high level of unemployment. Although the government is taking measures to create new jobs and stimulate economic growth, many people are still unemployed or working in the informal economy, where wages are low and social protection is limited.

In addition, the availability of education and health care remains one of the main problems affecting the level of poverty in Uzbekistan. Despite the existence of the education and health systems, the quality and availability of services in them do not always meet the demand. Many families, especially from the lower social strata, have difficulties in accessing quality education and medical services for their children.

It should also be noted that inequality in income distribution is one of the important components of the problem of poverty in Uzbekistan. Some areas of the country, especially rural areas, have higher levels of poverty than others. Large cities such as Tashkent have a higher level of development and more opportunities for income and social support, while remote and underdeveloped areas remain underdeveloped.

### Conclusions

One of the ways to fight against poverty in Uzbekistan is the implementation of social programs and support measures. Measures are being taken by the country's government to increase the income of the population, create new jobs, reduce the unemployment rate, and improve access to education and health care. Implementation of effective social programs and various levels of support to the population is the main factor in the fight against poverty.

In addition, the attraction of foreign investments and the development of the private sector are also important in reducing poverty. Creating a favourable investment environment, supporting entrepreneurship, and developing small and medium-sized businesses will create new jobs and



improve the economic situation in the country.

As stated in the Address of the President of the Republic of Uzbekistan Shavkat Mirziyoyev for 2023, "We aim to build New Uzbekistan based on the principle of a "social state". Social state means, first of all, equal opportunities to realize human potential, creation of necessary conditions for people to live a decent life, and reduction of poverty.

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