



POVERTY PREVENTION POLICY IN UZBEKISTAN

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Abstract

The article discusses the issues of poverty prevention, methods of their assessment and analyzes poverty in Uzbekistan using several poverty methods, as well as the experience of Uzbekistan in supporting the population in the post-COVID period. An iron book for registering citizens in need of social protection is a system of assistance to those in need that has no analogues in the world.

Keywords: poverty, COVID-19 pandemic, iron book, concept of deprivation, Social Register.

Introduction

The COVID-19 pandemic has had a significant impact not only on the economic development of developing countries, but also on highly developed countries, on household incomes and on the growth of poverty. The poor were at higher risk of contracting the disease and had less access to health services. According to international organizations, 115 million people will fall below the poverty line in 2020 as a result of the pandemic, the first increase in poverty in the world in decades.

Of course, the issue of poverty is very important for Uzbekistan today. For many years, the topic was considered closed, the concept of "poverty" did not have a clear definition, there was no legal basis for it. In his address to the Oliy Majlis, President Mirziyoyev said: "The reduction of poverty means the awakening of a special entrepreneurial spirit, the full realization of the internal forces and human potential, the implementation of a comprehensive economic and social policy to create new jobs. "100 billion soums have been allocated to finance measures to reduce poverty. In the future, it is planned to finance this direction from the state budget. Also, on the basis of the Ministry of Economy and Industry of Uzbekistan, the Ministry of Economic Development and Poverty Reduction was created.

The main tasks of the ministry are poverty reduction, socio-economic development of the regions, development of entrepreneurship, improvement of the business environment and the country's position in international rankings.

It should be noted that in 2000 the United Nations General Assembly adopted the Millennium Declaration of States and Governments, which subsequently formulated the Sustainable Development Goals (SDGs). Particular attention was paid to the eradication of poverty and hunger, which was reflected in the first BRM project "Eradication of Poverty and Hunger".

The living wage is the minimum indicator of the consumption of material goods and services necessary to maintain human health and ensure its vital activity. The subsistence minimum can be set as an average per capita value for the main socio-demographic groups, including individual cities and administrative-territorial associations.

The basis for determining the subsistence minimum is the natural types and sizes of scientifically developed food products, which are classified according to the minimum consumption rates for certain



socio-demographic groups of the population and are balanced in terms of caloric and chemical composition.

On this basis, on December 24, 2020, the “Average daily diet of rational nutrition aimed at ensuring healthy nutrition of age, gender and professional groups of the population of the Republic of Uzbekistan” was developed. Rational nutrition standards are divided into 5 groups according to the weight of human labor and professional groups, taking into account the climatic and national nutritional characteristics in the country, based on the physiological need for energy and basic nutrients and the restoration of human resources. :

Group 1 - persons predominantly engaged in mental work, light physical activity, students, social sciences, computer operators, teachers, dispatchers, accountants, secretaries (a) s JFK (physical activity coefficient) - 1.4). Daily energy consumption 1800 - 2450 kcal;

Group 2 - light workers - transport drivers, conveyor operators, seamstresses, sales personnel, radio industry workers, agronomists, nurses, junior medical personnel, telecom operators, JFK - 1.6: daily energy consumption 2100 - 2800 kcal;

Group 3 - middle-level workers, plumbers, adjusters, machine operators, drillers, excavators, tractor drivers, combine operators, bus drivers, surgeons, textile factory workers, shoemakers, railway workers, metallurgical plants, chemical industry workers, catering workers, office waiters, cooks and JFK workers - 1.9. Daily energy consumption 2500 - 3300 kcal;

Group 4 - workers of heavy physical labor, builders, assistant drillers, miners, cotton growers (except for combines), agricultural machine operators, midwives, transport workers, vegetable growers, carpenters, metallurgists, foundry workers JFK - 2.2. Daily energy consumption 2850 - 3850 kcal;

Group 5 - workers with very hard physical labor, very high physical activity JFK - 2.4 - agricultural workers engaged in hard work, cotton pickers, cutters, concrete workers, excavators, non-mechanized loaders, miners. Daily energy consumption is 3750 - 4200 kcal.

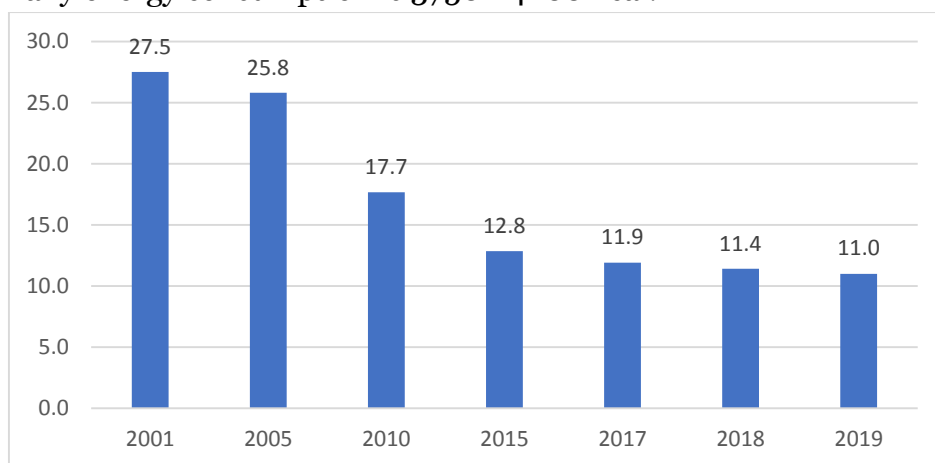


Figure 7.2. Share of low-income population in the Republic of Uzbekistan, in %

In the subsistence minimum, consumption norms are set only for food products, the cost of goods and all types of services is set at 31.7%, the rest is non-consumer goods and all types of services.



The minimum set of non-consumable goods consists of personal goods (clothes, shoes and school supplies) and general family goods (sheets, pillows, bedspreads, cultural and household goods, essentials, plumbing and medicines).

The minimum package of services includes accommodation, central heating, hot and cold water, gas, electricity, transport services.

Thus, the norms of consumption of food products, certain non-food products and services show that the subsistence minimum does not provide a moderate restoration of the labor force and, accordingly, it should be assessed as a temporary tool of social policy.

The concept of deprivation. According to this concept, the poor are those whose consumption does not meet generally accepted norms and does not have access to a particular set of goods and services. This approach allows us to understand the depth of the problems of caring for a person, since this concept explores the non-consumption of important goods and services.

An analysis of the level of provision of the population of the Republic of Uzbekistan with basic necessities shows that the level of provision with personal computers (4 times), cars (2 times) and mobile phones (2 times) has increased dramatically in recent years. 10 years.

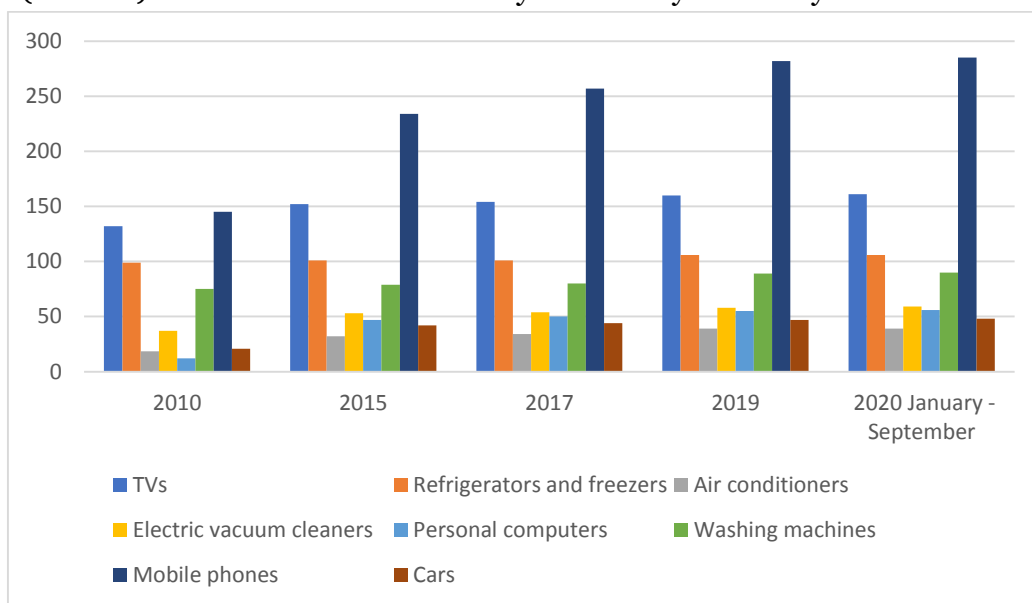


Figure 7.3. Provision of the population with durable goods (per 100 households), per unit

The analysis showed that the population of the republic is fully provided with mobile phones, TVs, refrigerators and freezers. At the same time, many households have air conditioners (available in 39 out of 100 households), cars (available in 48 out of 100 households), personal computers (available in 56 out of 100 households) and electric vacuum cleaners (available in 59 out of 100 households).

In accordance with Resolution No. 70 of the United Nations General Assembly, adopted at the UN Summit on Sustainable Development in September 2015, as well as the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated October 20, 2018. In the period up to 2030, 16 sustainable development goals and 127 related targets have been approved. In accordance with it, the following poverty-related targets and indicators for their evaluation are defined (Table 7.3).



An analysis of all these indicators shows that the level of poverty in Uzbekistan has been steadily declining since 2001. If in 2001 the poverty rate was 27.5%, today it has dropped to 11.4%. The poverty rate in rural areas is higher than in cities (14.3% in rural areas and 8.4% in cities).

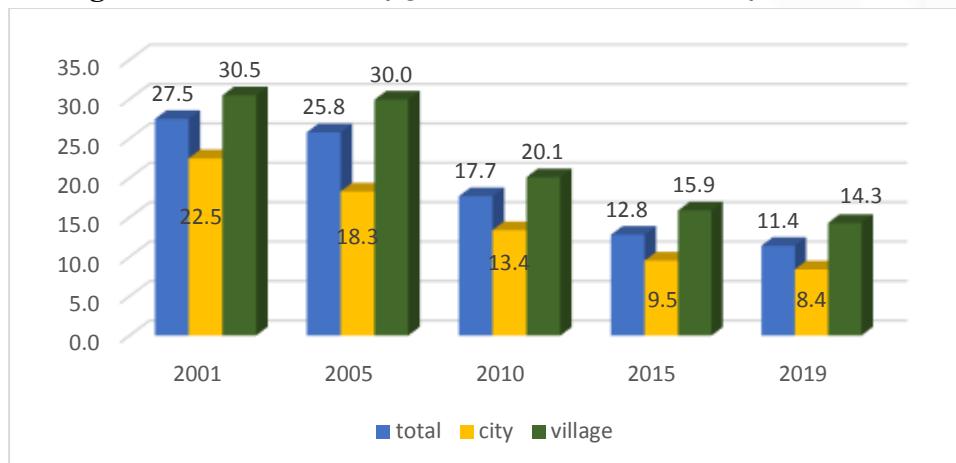


Figure 7.4 Poverty dynamics in Uzbekistan, in %

Poverty in rural areas is influenced by many factors, including the economic activity of rural youth and women and low level of professionalism in agriculture the majority of vacancies are short-term and seasonal nature, a significant portion of the workforce is low paid and employment in precarious jobs, active efforts to attract foreign investment slowness, agricultural farming, reprocessing industry, construction, services, social infrastructure, private entrepreneurship and family business, etc. Job creation in industries and sectors is at a high level level, external and internal labor migration poorly organised.

In order for poverty reduction programs to be targeted and targeted, this indicator should also be considered on an interregional basis.

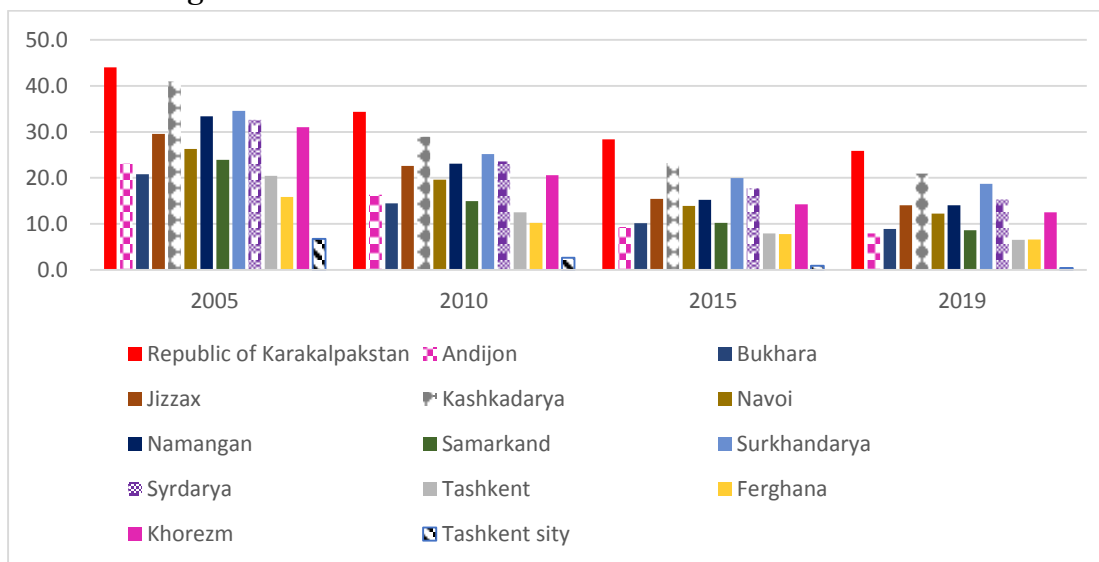


Figure 7.5 Change in the level of poverty in the Republic of Uzbekistan by region



The poverty rate is highest in the Republic of Karakalpakstan (25.9%), Kashkadarya (20.9%), Surkhandarya (18.7%) and Syrdarya (15%) regions, and in Tashkent (0.4%), Tashkent (6.5%) and Ferghana (6.6%).

The financial situation of the population is of great importance not only for one person and his family, but for the whole country. Poverty affects a country's economic development, reduces purchasing power, undermines social cohesion, increases political and social tensions, increases crime, limits access to education, increases morbidity, and creates social instability.

As noted in the Message of the President of the Republic of Uzbekistan to the Oliy Majlis dated December 29, 2020, the ultimate goal of economic reforms in 2021 is to reduce poverty and improve the welfare of the population, including:

1. Development of the draft "Poverty Reduction Strategy in the Republic of Uzbekistan until 2030" in cooperation with the United Nations Development Program, the World Bank and a number of international organizations;
2. Introduction of an integrated approach to poverty reduction and non-standard methods, i.e. based on an in-depth analysis with international experts on ensuring the basic needs of the poor, the calculations will be completed and from March 1 of this year. "Minimum Consumer Expenditures" This approach addresses complex issues related to education, health care, training, drinking water, energy and road infrastructure, as well as providing loans, social transfers or housing to the poor.
3. Correctly identify the low-income population and, on this basis, create a system of targeted work with them.
4. The "Social Register", which will be fully operational next year, will contain all the information of the "Iron Book" and provide more than 30 social services to low-income families in electronic form.
5. Develop a program to bring social guarantees into a single system and gradually bring them to the level of minimum standards.
6. Develop ways to mobilize the existing potential of the regions to reduce poverty, including:
 - Measures will be taken to eliminate problems that hinder the implementation of projects in existing special industrial zones in the regions;
 - Based on the principle of motivation, skills and financial support, separate programs will be developed for each district and city to pull the needy out of poverty.
7. Develop a draft resolution on the implementation of a new mechanism for the vocational training of young people and women, their employment by supporting entrepreneurial initiatives and creating a stable source of income.
8. Further development of cooperation with foreign organizations involved in poverty reduction and responsible, including:
 - Participation in the UN Global Summit on Poverty Reduction and Combating Poverty in 2021;
 - Holding the "Fight against Poverty" conference in 2021 in the SCO member states together with the relevant ministries and departments;



- Signing of a memorandum of understanding between the Ministry of Economic Development and Poverty Reduction and the International Center for Poverty Reduction of the People's Republic of China.

In 2020, in connection with the global quarantine, an "iron book" was introduced to identify vulnerable groups deprived of work and income, and provide targeted assistance.

The Iron Book is a transparent list of quarantined families in need who have lost their jobs and income. In turn, Temir Daftar strengthened the activity of the chairman of the citizens' gathering in cooperation with the head of the sector and the region, and 7 categories of families in need of Temir Daftar, including:

- Low income;
- With a disability;
- Families in need of social protection;
- Lonely elderly people;
- Permanently unemployed citizens;
- Citizens left without quarantine;
- Measures have been taken to lift the population out of poverty in difficult epidemiological areas.

The information contained in the Iron Book based on the results of the daily work of responsible employees is entered electronically on the website sakhovat.argos.uz using an EDS;

The Iron Book provided for the introduction of at least one family member, through whom measures were taken to alleviate their needs.

Conclusion

Thus, there is no clear and ready-made solution to this problem. Deep, well-coordinated regional neighborhood programs are needed. People need to be empowered in the short and long term. The main goal is not to make them dependent on state aid, but to turn them into a competitive domestic force in the labor market, relying on difficult times, providing quality education and increasing the level of human capital.

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