

FORMATION OF A NATIONAL POVERTY CRITERION IN UZBEKISTAN: FEATURES, EXISTING EXPERIENCE

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Abstract: the article analyzes the specific features of the region that directly and indirectly affect poverty, ie natural-climatic conditions, geographical location of the population, climate change, desertification process, ecological situation, high demographic potential. issues such as raising the economic potential to a higher level, the role of rural areas in the structure of the country's economy were analyzed.

Keywords: formation of the national criterion of poverty: specific characteristics, existing experience.

БЕДНОСТЬ В УЗБЕКИСТАНЕ. ФОРМИРОВАНИЕ НАЦИОНАЛЬНЫХ КРИТЕРИЕВ: ОСОБЕННОСТИ, ДОСТУПНЫЙ ОПЫТ

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Аннотация: в статье анализируются особенности региона, прямо или косвенно влияющие на бедность, - природно-климатические условия, географическое положение населения, изменение климата, процесс опустынивания, экологическая ситуация, высокий демографический потенциал, проанализированы такие вопросы, как повышение экономического потенциала на более высокий уровень, роль сельской местности в структуре экономики страны.

Ключевые слова: формирование национального критерия бедности: специфические характеристики, имеющийся опыт.

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In particular, the formation of a national criterion at the national level requires a



number of factors to be taken into account. These are specific features of the region that directly and indirectly affect poverty.

Natural-climatic conditions. The harsh continental climate conditions in the country, hot summers and relatively cold winters, various natural phenomena such as hail, floods, earthquakes and other natural disasters to some extent affect the living standards of the population. In particular, to provide social protection to those working in high climates, to help those who have suffered losses due to natural disasters.

The geographical location of the population also has a negative impact on their living conditions. In particular, it is expedient to create the necessary conditions for those living in the desert and pre-desert, mountain and foothill zones, to support the population of remote villages [1].

Climate change, the process of desertification, the ecological situation (the Aral Sea tragedy), especially in rural areas, will have a negative impact on living standards, which requires the development of additional measures.

High demographic potential. It is one of the most visible features of Uzbekistan. High rates of population growth, including labor resources (average annual growth of 1.7%, security level 1.25% in 2017-2020). High birth rates (average 750-800 thousand per year), in turn, lead to an increase in the number of large families, increasing the risk of poverty. Among the risks are the gradual increase in the share of the elderly in the population, the rapid formation of young families, and the high incidence of young people. Ensuring employment and creating new jobs is one of the most important priorities [2, 3].

Raising economic potential to a higher level remains crucial in the fight against poverty. According to the World Bank's grouping system, Uzbekistan is one of the countries with lower middle income (\$1036-4045 per year). This situation shows that the policy of sustainable capacity building of the economy is more relevant.

The role of rural areas in the structure of the country's economy will remain important today and in the near future. Today, almost half of the population lives in rural areas. The rural population, in turn, plays a key role in the formation of poverty. At the same time, a number of sociological studies have confirmed that the risk of



poverty is also high in small towns and urban settlements directly related to rural areas.

The transition to intensive methods of agricultural development will make it necessary to intensify the process of urbanization in the near future, to create favorable conditions for the migration of the rural population to cities. This situation can be clearly seen from the Chinese experience [4, 5].

Uzbekistan differs from other countries in the organization of governance. This primarily applies to a community that has an existing local self-government system. The mahalla is the main place of residence of the population and can be considered as the most convenient tool for identifying poverty and organizing its monitoring. The introduction of a mahalla system to implement reforms and reduce poverty also highlights the need to make effective use of this system. Current experience and ongoing measures show that the identification of poor families in the community and the formation of their list through the "Iron Book" is a unique factor in the formation of national criteria.

Features of consumption. The demand of the population for goods and services depends to some extent on natural and climatic conditions, the formation of the demographic composition, solvency, national traditions.

Compared to other countries, the role of bread, fruits and vegetables, rice, vegetable oil in food consumption is high.

The importance of clothes and shoes for children and young people, carpets, household items in the composition of non-food products can be shown. Among the utilities, the primary needs are clean drinking water and electricity supply.

The high demand for housing in the country is due, to a certain extent, to the rapid growth of the population and the number of new young families. It should be noted that 98.0% of houses in Uzbekistan are owned by families.

Another peculiarity is that more than 70.0% of families, mainly in rural areas, do not have their own farms. Food grown through private farms covers almost one-fifth of their consumption (flour and bread, fruits and vegetables, meat and dairy products) and serves as a source of income. Having a home for the population will help prevent poverty [6, 7].



National traditions and spirituality. Hospitality, mutual support, kinship and mutual respect are the spiritual characteristics of our people that have been passed down through the centuries.

The participation of all segments of the population as guests at weddings and ceremonies, the hospitality etiquette is one of the most important values, which allows to support the poor and needy.

It is important to emphasize that our people respect each other and the elderly. This value opens up a wide range of opportunities to help respect the elderly in families.

One of the important qualities of our people is the kinship relations, not to spare their help in difficult situations, constant financial support to poor families, prevention of poverty.

One of the important traditions of our people is to have a high level of attitude to the family, to constantly strengthen it, to support and protect it in difficult situations. Establishing and strengthening a family and protecting it will help reduce the risk of poverty.

National Muslim etiquette. 95% of the country's population is Muslim. In Islam, the practice of helping the needy, giving alms and giving alms have been put forward. In particular, the Qur'an says, "Whatever you give, do it for your parents, relatives, orphans, the poor, and the strangers".

Promoting and disseminating this motto should become one of the important factors in the fight against poverty in our country.

The current poverty line in Uzbekistan has been limited to 2,100 kcal per day since 2000, based on a World Bank proposal. The lower part of the border is considered poor.

Based on this criterion, the annual poverty rate is determined by a survey of households (10,000 respondents) conducted by the State Statistics Committee. (Poverty rate in 2020 ??? percent). Poverty detection by this criterion is relatively complex, has a high error rate, non-food products and services are not taken into account, and has limited application in practice. The level of poverty defined by this border is mainly used by international organizations and research institutes in the



preparation of reports. In official practice, these criteria are not used in the development of measures to reduce poverty [8, 9, 10].

The poverty criterion was also informally calculated on the basis of the subsistence minimum and the value of the minimum consumer basket.

This method is based on the approved minimum consumption norms as mentioned above and is not used in official practice as it differs from the real conditions.

Another research method used in Uzbekistan to determine the level of poverty is a subjective criterion, ie the results of a survey of households on which social category they belong to (according to a survey in February 2021, the poverty rate was 19.3% subjective).

In 2020, World Bank experts have proposed the cost of minimum consumption expenditures as a national criterion of poverty in Uzbekistan. Determining this criterion is based on the results of the household survey. The main purpose is to determine the value of the real minimum consumption (food and non-food products, services) of the population through a selective sociological survey. The advantage is the assessment of the number of households and poverty, which are directly below the value of the current (non-normative) minimum consumption expenditures in a given period [11].

The downside is the difficulty of ensuring the objectivity of the results of the sociological survey based on the selection, the complexity of the calculation method, the level of poverty in the country and the region, the disproportion between its micro-local scale.

Advantages and disadvantages of foreign and Uzbek experience, taking into account the specifics of the country, it is possible to suggest the following directions for determining the national criterion of poverty.

The first is to determine the value of the minimum consumption expenditures proposed by the World Bank through a selective sociological survey that is radically improved and complies with international standards.

The second is to declare 70.0% of the officially announced minimum wage (747.3 thousand) in 2021 as the national criterion. Gradually increase the value of this



criterion to 100.0 percent over three years and equate it to the official-based minimum wage.

The third is to determine the value of real minimum consumption expenditures based on the results of a specially prepared survey of low-income families directly across all communities, taking into account the specifics of the country and the measures currently being taken to reduce poverty [12].

The existing national criteria should be used only in the coordination of the minimum wage and the formation of the "iron book". It is proposed to determine the amount of social assistance and benefits based on the capabilities of the state budget.

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