

Directions of Poverty Reduction

Shadiyeva Gulnora Mardiyevna

SamISI, professor of the Department of Real Economy

Qudratov Navro‘Z Abdulla O‘G‘Li

SamISI, Master of the Faculty of Economics

ABSTRACT

This article provides information on the nature of poverty and the population of the Republic of Uzbekistan in poverty, their problems, specific recommendations for the reduction and elimination of poverty, scientific recommendations.

KEYWORDS: Sustainable development, growth rates, poverty, poverty reduction concept, action strategy, entrepreneurship development, innovation, population income, global problems, crises, poverty rate, social protection.

Introduction. Under the leadership of the President of the Republic, large-scale reforms are being carried out in various spheres on the basis of the principle "Human interests take precedence over everything else.", all this, of course, will improve the living conditions of our people, increase welfare, eliminate unemployment, increase real incomes, financial support of the poor, especially in rural areas, increase real incomes, low-income, serves the social protection of the population in need of social protection, financial support is a constant focus of public policy. Consequently, further development of our economy, further development of production, expansion of small business and private entrepreneurship, as well as foreign investment and its efficient use, development of tourism, development and efficiency of agricultural production, as well as export promotion and exporting is our priority are main directions. Not only are the poor deprived of the opportunity to enjoy the country's rapid economic growth, but they are also unable to contribute to development due to limited opportunities to participate in various aspects of public life. In recent years, a number of decrees and resolutions have been adopted in our country to eradicate poverty. In particular, the Presidential Decree PF-5975 of March 26, 2020 "On measures to radically update the state policy on poverty reduction" and the Ministry of Economic Development and Poverty Reduction of the Republic of Uzbekistan on March 26, 2020 and its on the organization of the activities of system organizations".

These documents set tasks to improve the business environment and reduce poverty in the country through self-employment. It requires the development of some theoretical, methodological and practical scientific recommendations for the implementation of the identified tasks. Given these circumstances, the study of this topic is relevant.

Analysis of the literature on the subject

Changes in the income structure of the population, issues related to poverty reduction have been studied by a number of economists, including A. Smith, D. Ricardo, R. Maltus G. Spencer, A.Sen, S. Rauntri and others. [15,27,33,34]. Adam Smith: Often regarded as the father of modern economics, Adam Smith is best known for his influential work "The Wealth of Nations" (1776), where he discussed the principles of free-market capitalism and the invisible hand.

David Ricardo: An English economist, Ricardo is known for his theory of comparative advantage, which explains the benefits of international trade. Thomas Malthus: Reverend Thomas Malthus is famous for his pessimistic predictions about population growth and its potential to outstrip the food supply, as outlined in his work "An Essay on the Principle of Population" (1798).

Herbert Spencer: While Spencer was a sociologist and philosopher, he also made contributions to political and economic thought. He is associated with social Darwinism and the idea that societies evolve through competition.

Amartya Sen: An Indian economist and philosopher, Amartya Sen has made significant contributions to welfare economics. He developed the capability approach, which focuses on people's capabilities as the ultimate gauge of development.

S. Rauntri (Possibly a misspelling): There is no widely recognized economist by this name. It's possible there's a mistake in the name or that the person is not a well-known figure in the field.

According to A. Smith, the nature of poverty in many respects was at the heart of the main liberal ideas of the mid-nineteenth century, and many scientific studies were devoted to it. In accord with A. Smith and D. Ricardo (1951), the concept of poverty will always exist and can only reduce the level of poverty. The English economist Thomas Robert Malthus (1766-1834) said for a constant increase in population relative to the means of subsistence, "The population law" (1798), a law that has existed since the inception of society and is in constant and powerful action. Reflects that the main cause of poverty is related to population growth. The excess part of the population is doomed to starvation, nakedness and starvation due to necessity. As reported by Malthus, the main and constant cause of poverty has nothing to do with governance or the uneven distribution of property. Malthus blamed the state for supporting the proliferation of the poor in the origins of poverty. In opinion of G. Spencer, poverty plays an important role in human personal activity and through it determines the future of man (1906).

It is also said that poverty is the social stigma, helplessness and helplessness of individuals, households and communities (, New York, Geneva, 2017). In addition, according to a methodology proposed by the World Bank in 2015 in 115 countries, the poverty line on purchasing power parity at 2011 prices for all countries is 1.9, and the poverty line is based on low, medium and high incomes, 9; 3.2; It was recommended to set it at \$ 5.5 and \$ 21.7. In opinion of Bakhtishod Khamidov¹, chief researcher at the Center for Economic Research and Reforms under the Presidential Administration of the Republic of Uzbekistan, poverty means that there is no opportunity to meet basic human needs (food, clothing, housing, education and health).

Research methodology

In the context of innovative economy, the study of the existing problems in each family in our country used the methods of identification, analysis and synthesis, systematic analysis, observation and questionnaire to reduce poverty.

Analysis and results

There is no single definition of the word 'poverty' in the literature. It requires a number of clearly defined skills and methods to conduct an assessment. To determine who is poor and who is less than whom, it is necessary to define the poverty line based on knowledge of consumption (income), which is commonly referred to as the 'poverty line'.

The most commonly used definitions of the poverty line are as follows:

¹ Poverty level in Uzbekistan. What can be done to reduce poverty? Bakhtishod Khamidov, Chief Research Fellow, Center for Economic Research and Reforms under the Presidential Administration of the Republic of Uzbekistan.

<https://review.uz/oz/post/ozbekistonda-kambagallik-darajasi-kambagallikni-kamaytirish-uchun-nima-qilish-kerak>

- Nutrition-based poverty rate. Poverty has certain forms and hunger is one such form. In this case, well-being is measured as the amount of daily calories per capita and compared to the minimum daily energy requirement for that population. The Food and Agriculture Organization of the United Nations sets an average of 1,800 calories per day, with needs adjusted for age, gender, and activity level².
- International Poverty Limit. This poverty line is used by the World Bank for international comparisons, with a poverty line of \$ 1.25, the poverty line being the amount of \$ 2.5 found per day. At the same time, other poverty lines are currently being used, taking into account the development characteristics and stages of different countries. In particular, the poverty rate is set at \$ 3.2 per day for low-income countries and \$ 5.5 per day for high-income countries. There are two other definitions commonly used in Europe: the relative poverty line and the subjective limit of poverty.

President of Uzbekistan Shavkat Mirziyoyev chaired a video conference on February 27, 2020 on measures to reduce poverty through the development of entrepreneurship, we've got to see or hear that our attitude, which isn't true at the time, is really poor. This is wrong. Unfortunately, according to preliminary estimates, 4-5 percent of our population is found to be poor. It is no longer necessary to hide, we need to understand the real problem, the situation of our people living in difficult conditions, to change the worldview of all categories of leaders. At the meeting, President of the Republic of Uzbekistan Sh.M.Mirziyoev assessed the real poverty situation in the country, saying, "Poverty reduction does not mean an increase in salaries or pensions, mass lending. To do this, first of all, it is necessary to train the population, increase financial literacy, create a sense of entrepreneurship, improve infrastructure, educate their children, introduce quality treatment, targeted targeted benefits³. The head of state noted that people should be given jobs, not money. For 30 years, nothing has changed by giving them money. The poor should not sleep in the house. "They also need to be trained. Every citizen of Uzbekistan must be ready for life, for globalization and change in the world. The worldview of the poor also needs to change. The sleeping system in the house is over now. You have to convince, you have to convince, you have to do good. Then there is hope for the future. Now we have to give jobs, not money. We need to create opportunities and teach. Nothing has changed with giving money in 30 years. Now, we come to the part where we talk about the middle ground. We teach beekeeping, rabbit breeding, animal husbandry, viticulture, lemon growing, entrepreneurship, craftsmanship, handicrafts to every household. If we don't teach, it won't happen. Giving money and leaving did not work. If we create such an environment, then change will take place.

According to our data, Kashkadarya region is the most difficult region in terms of poverty. 700,000 people are poor. This is about 21 percent of the total population. In this situation, leaders in Kashkadarya cannot sit still. He must ask himself the question of how we can get our people out of such a difficult situation. Also, 500,000 people are poor in the Republic of Karakalpakstan, 500,000 in Surkhandarya region, 400,000 in Namangan region, 210,000 in Jizzakh region and 130,000 in Syrdarya region⁴.

The following assistance is also provided: employment of those recognized as unemployed in the organization of public works, temporary employment (from 2 weeks to 3 months), free placement in training courses for employment. Such problems are still deplorable: high unemployment of potential workers, a large proportion of workers in the informal sector, lack of qualification, presentation system, abandoned migration accounting system, lack of accurate data on the size and structure of the labor market. The non-

² Bakhtishod Khamidov, SEIR. Economic review №5 (245) 2020
325

³ <https://www.pv.uz/uz/news/tadbirkorlikni-rivozhlantirish-va-kasbga-tajirlash-orali-kambaallikni-kamajtirishchoralari-belgilandi> 10 <https://sputniknews-uz.com/socie>

⁴ <https://review.uz/oz/post/ozbekistonda-kambagallik-va-uni-qisqartirish-yollari>

governmental and non-profit international organization said that more than eleven million people in the country are shortaged from food⁵.

In our country, the issue of social support and the fight against poverty is being addressed at the level of state policy. In carrying out this urgent task, a separate approach for each social stratum is being further expanded. In accordance with the Resolution of the President of the Republic of Uzbekistan dated March 26, 2020 No PP 4653, the Regulation "On the Ministry of Economic Development and Poverty Reduction of the Republic of Uzbekistan" was developed. According to him, the tasks of the newly formed ministry to reduce poverty are as follows:

- Analysis and maintenance of inclusive economic growth, development, implementation and coordination of poverty reduction strategies and programs with public administration bodies, non-governmental organizations, public organizations, international financial institutions, foreign government financial institutions;
- Development of clear supports and mechanisms for poverty reduction, development of criteria and assessment methods for determining the level of poverty, taking into account foreign experience, the normative framework of minimum standards of social security;
- implementation of measures to achieve the goals and objectives of national sustainable development, development of a methodology for calculating the subsistence minimum and minimum consumer basket and systematic work on the study of income stratification and ensuring their compatibility with state target programs;
- Carry out joint work with the Ministry of Employment and Labor Relations of the Republic of Uzbekistan on the qualitative development of the labor market and its structure, analysis and improvement of labor migration processes and the distribution of labor resources;
- Development and implementation of human capital development programs in cooperation with the Ministry of Preschool Education, the Ministry of Public Education, the Ministry of Higher and Secondary Special Education, the Ministry of Health, the Ministry of Physical Culture and Sports, the Ministry of Culture of the Republic of Uzbekistan.

At the moment, the level of poverty may increase further during an economic crisis that could be caused by a coronavirus pandemic. World Bank President David Malpass says the world economy is facing a "deep recession" this year. Nearly 60 million people worldwide are extremely poor due to the coronavirus pandemic⁹.

"In order to develop the economy, we need to quickly learn how to respond to medical emergencies," Malpass explained. In addition, the government needs to support the poor and the private sector.

In our opinion, the level of poverty can be reduced on the basis of the following principles of public policy: to create ample opportunities for honest, well-paid work and to encourage able-bodied citizens to actively and independently provide them with self-employment.

Conclusions

Based on the results of the research, we consider it appropriate to implement the following scientific proposals and practical recommendations to reduce poverty in the country:

⁵ Concept of Development Strategies of the Republic of Uzbekistan up to 2035 year. International non-governmental non-profit organization «BUYUK KELAJAK». Materials prepared 2019 year

First, to increase the entrepreneurial literacy of the population, to form and constantly improve financial and economic knowledge and skills, to involve the population in small business and entrepreneurship, to become one entrepreneur from each family, to create a free competitive environment, to protect private property;

Second, the restoration of permanent jobs in all areas of employment, the creation of new permanent and seasonal jobs;

Third, the development of cooperative relations in agriculture and increase the competitiveness of the industry, the creation of an integrated production chain;

Fourth, the development of systemically active economic measures aimed at improving the living standards of the population for the poor, namely, employment policy, investment, microcredit, taxation, targeted social assistance;

Fifth, a drastic fight against the following conditions that lead to poverty - alcoholism, drug addiction, gambling, human trafficking;

Sixth, the organization of work to prevent overpopulation.

In short, the quality and timeliness of the implementation of comprehensive measures in the identified priorities will ensure the sustainable growth of our national economy this year and further accelerate economic growth in the coming years in the context of the deepening global crisis. This, in turn, covers the measures taken in our country to reduce poverty.

Literature

1. Mardiyevna, S. G., & Farxodovna, M. R. (2023). Small Service Business Trends. *Nexus: Journal of Advances Studies of Engineering Science*, 2(5), 123-130.
2. Mardiyevna, S. G., & Ugli, Y. S. N. (2023). Development of Entrepreneurship Organizing Enterprise Activity Through. *Gospodarka i Innowacje.*, 35, 564-571.
3. Mardiyevna, S. G., & Panjiyevich, K. S. (2023). Economic Fundamentals of the Development of Services. *Gospodarka i Innowacje.*, 35, 600-607.
4. Shadiyeva, G., & Isoqulov, Z. (2023). NARPAY TUMANIDA KAMBAG'ALLIKNI QISQARTIRISH VA AHOLI BANDLIGINI TA'MINLASHDA AHOLI XOHISH ISTAKLARI. *Евразийский журнал права, финансов и прикладных наук*, 3(3), 169-179.
5. Шадиева, Г. М. (2023). ОИЛА ХЎЖАЛИГИНИНГ ИҚТИСОДИЙ МУСТАҚАМЛИГИНИ ТАҲЛИЛ ҚИЛИШ ЙЎЛЛАРИ. *Journal of new century innovations*, 21(1), 91-94.
6. Shadieva, G. M., & Akbarovna, K. S. (2023). THEORETICAL VIEWS ON CONCEPTS OF ENTREPRENEURSHIP. *Journal of new century innovations*, 20(3), 42-45.
7. Shadieva, G. M., & Urozaliev, E. (2022). THE ESSENCE AND STAGES OF DEVELOPMENT OF THE DIGITALIZATION OF THE ECONOMY. *Galaxy International Interdisciplinary Research Journal*, 10(12), 963-971.
8. Shadieva, G. M., & Urozaliev, E. (2022). THE ESSENCE AND STAGES OF DEVELOPMENT OF THE DIGITALIZATION OF THE ECONOMY. *Galaxy International Interdisciplinary Research Journal*, 10(12), 963-971.
9. Shadieva, G. M., & o'g'li Isoqulov, Z. S. (2022). WAYS TO REDUCE POVERTY. *Galaxy International Interdisciplinary Research Journal*, 10(12), 957-962.

10. Shadieva, G. M., & Kulmuradova, R. (2022). THE ROLE OF FAMILY BUSINESS IN IMPROVING THE STANDARD OF LIVING AND ENSURING THE WELL-BEING OF THE POPULATION. *British View*, 7(4).
11. Nodirovna, M. S. (2023). Developing Rural Services and Increasing the Living Standards of the Population in the Republic of Uzbekistan. *Gospodarka i Innowacje.*, 35, 653-661.
12. Шадиева, Г. М. (2023). ОИЛА ХЎЖАЛИГИНИНГ ИҚТИСОДИЙ МУСТАҲКАМЛИГИНИ ТАҲЛИЛ ҚИЛИШ ЙЎЛЛАРИ. *Journal of new century innovations*, 21(1), 91-94.
13. Abdukhalilovich, S. S., & Ugly, S. F. S. (2023). THE ESSENCE OF THE CONCEPT OF POVERTY. *Journal of new century innovations*, 27(1), 97-100.
14. Abdukhalilovich, S. S., & Ugly, S. F. S. (2023). THE ESSENCE OF THE CONCEPT OF POVERTY. *Journal of new century innovations*, 27(1), 97-100.
15. Mardievna, S. G., & Zhamshedovich, K. Z. (2023). THE ROLE OF FAMILY BUSINESS IN THE DEVELOPMENT OF THE SERVICE INDUSTRY. *Thematics Journal of Commerce and Management*, 7(1).
16. Шадиева, Г. М. (2023). ОИЛА ХЎЖАЛИГИНИНГ ИҚТИСОДИЙ МУСТАҲКАМЛИГИНИ ТАҲЛИЛ ҚИЛИШ ЙЎЛЛАРИ. *Journal of new century innovations*, 21(1), 91-94.
17. Mardievna, S. G., & Shukhatovna, M. S. (2021). Ways to increase investment potential in samarkand region. *Academicia Globe: Inderscience Research*, 2(11), 44-50.
18. Шадиева, Г. (2021). Оила тадбиркорлигини ривожлантиришда инновацияларнинг айрим назарий жиҳатлари. *Экономика и образование*, (1), 121-126.
19. Мамаюнус, П., & Мардиевна, Қ. Ш. Г. (2021). Маркетинг фаолиятида қўлланиладиган ахборотлар тизими ва уларнинг таснифи. *Development Issues Of Innovative Economy In The Agricultural Sector*, 278.
20. Shadieva, G. M., & Akbarovna, K. S. (2023). THEORETICAL VIEWS ON CONCEPTS OF ENTREPRENEURSHIP. *Journal of new century innovations*, 20(3), 42-45.
21. Shadiyeva, G., & Kholmiraeva, G. (2022). FAMILY BUSINESS AND ITS DEVELOPMENT. *Eurasian Journal of Academic Research*, 2(8), 148-151.
22. Shadieva, G., & Saidmurodov, F. (2022). DEVELOPMENT OF NATIONAL TOURISM AND THEORETICAL FOUNDATIONS OF ITS COMPETITIVENESS. *Eurasian Journal of Academic Research*, 2(8), 115-124.
23. Шадиева, Г. М., & Кувандиков, Ш. О. (2022). РОЛЬ СЕМЕЙНОГО ПРЕДПРИНИМАТЕЛЬСТВО В РАЗВИТИИ ЭКОНОМИКИ СТРАНЫ. *Current Issues of Bio Economics and Digitalization in the Sustainable Development of Regions*, 59-63.
24. Mardiyevna, S. G., & Abdusamatovich, J. J. (2022). SANOAT 4.0 KONSEPSIYASI VA UNGA TA'SIR ETUVCHI RISKLAR. *Current Issues of Bio Economics and Digitalization in the Sustainable Development of Regions*, 712-721.
25. Пардаев, М. Қ., & Шодиева, Г. М. (2001). Оила хўжалиги иқтисодиёти ва тадбиркорлиги. Самарқанд, СамКИ, 151.
26. Shadieva, G. M. (2022). SOCIO-ECONOMIC CONCEPT OF" FAMILY ECONOMY". *Confrencea*, 1(1), 239-243.

27. Шадиева, Г. М., & Садинова, Б. Б. (2022). Мамлакатимизда тадбиркорликни ривожлантириш йўллари.
28. Mardievna, S. G., & Zhamshedovich, K. Z. (2023). SYNERGETICS AND ITS ROLE IN SOLVING PROBLEMS OF FAMILY BUSINESS. *British View*, 8(1).
29. Mardievna, S. G., & Zhamshedovich, K. Z. (2023). THE ROLE OF FAMILY BUSINESS IN THE DEVELOPMENT OF THE SERVICE INDUSTRY. *Thematics Journal of Commerce and Management*, 7(1).
30. Шадиева, Г., & Шакирова, Ф. (2021). ИҚТИСОДИЁТНИ РАҚАМЛАШТИРИШГА ТРАНСФОРМАЦИЯЛАШУВИДА ИНТЕЛЛЕКТУАЛ МУЛКНИ РАСМИЙЛАШТИРИШНИНГ АЙРИМ МАСАЛАЛАРИ. *Экономика и образование*, (5), 381-384.
31. Mardievna, S. G., & Zhamshedovich, K. Z. (2023). THE ROLE OF FAMILY BUSINESS IN THE DEVELOPMENT OF THE SERVICE INDUSTRY. *Thematics Journal of Commerce and Management*, 7(1).
32. Шадиева, Г. М. (2022). ОИЛА ХЎЖАЛИГИ ФАРОВОНЛИГИНИ ОШИРИШДА ОИЛАВИЙ БИЗНЕСНИНГ РОЛИ. *Архив научных исследований*, 2(1).
33. Shadiyeva, G. M., & Kulmuradova, R. (2022). THE ROLE OF FAMILY BUSINESS IN IMPROVING THE STANDARD OF LIVING AND ENSURING THE WELL-BEING OF THE POPULATION. *British View*, 7(4).
34. Шадиева, Г. (2021). Оила тадбиркорлигини ривожлантиришда инновацияларнинг айрим назарий жиҳатлари. *Экономика и образование*, (1), 121-126.
35. Shadiyeva, G. M., & Isoqulov, Z. S. (2022). WAYS TO REDUCE POVERTY. *Galaxy International Interdisciplinary Research Journal*, 10(12), 957-962.
36. Mardiyevna, S. G., & Ugli, A. U. A. (2023). PROVIDING EMPLOYMENT OF THE POPULATION IN RURAL AREAS IN THE DIGITAL ECONOMY. *Research Focus*, 2(1), 7-10.
37. Pardaeva, O. M., & Shodieva, G. M. (2020). The role of family entrepreneurs in society development. *American Journal of Economics and Business Management*, 3(5), 194-200.
38. Шадиева, Г. (2021). ОИЛА ТАДБИРКОРЛИГИНИ РИВОЖЛАНТИРИШДА ИННОВАЦИЯЛАРНИНГ АЙРИМ НАЗАРИЙ ЖИХАТЛАРИ. *Экономика и образование*, (1), 121-126.
39. Shadiyeva, G., & Isoqulov, Z. (2023). NARPAY TUMANIDA KAMBAG‘ALLIKNI QISQARTIRISH VA AHOLI BANDLIGINI TA‘MINLASHDA AHOLI XOHISH ISTAKLARI. *Евразийский журнал права, финансов и прикладных наук*, 3(3), 169-179.
40. Мамаюнус, П., & Мардиевна, К. Ш. Г. (2021). Маркетинг фаолиятида қўлланиладиган ахборотлар тизими ва уларнинг таснифи. *Development Issues Of Innovative Economy In The Agricultural Sector*, 278.