



SCIENTIFIC FOUNDATIONS OF AN INNOVATIVE APPROACH TO ECONOMIC DEVELOPMENT AND POVERTY REDUCTION IN UZBEKISTAN

AzimovB.F., RakhimovaD.D.

Bukhara engineering-technological institute

ABSTRACT

This article attempts to assess the ongoing reforms in the field of economic development in Uzbekistan and poverty reduction based on an innovative approach. Along with the main achievements, individual problems and missed opportunities were discussed. Ways to overcome problems and use opportunities in the field of economic development and poverty reduction are given.

KEY WORDS

The economic development, poverty reduction, welfare of the population, an innovative approach, reforms in the field of economic development

The development of the economy in the country on the basis of entrepreneurial activity based on various forms of ownership and meeting the requirements of a market economy is one of the most pressing issues of our time. The role of small business and private entrepreneurship in the development of the national economy will continue to grow in the context of the priority of free competition.

The development of entrepreneurial activity based on small business, private entrepreneurship and home-based business will remain an important factor in the formation of the middle class, which is the basis for the social stability of the national economy, creating a competitive environment and achieving sustainable development. the economic growth.

Particular attention is paid to the rapid development, encouragement and support of small businesses and private entrepreneurship, which play an increasingly important role in ensuring economic growth, creating new jobs, solving the problem of employment, increasing incomes and well-being of the population.



To improve the welfare of the population and develop the national economy in the future through the formation of knowledge, skills and abilities of students in the field of entrepreneurship, first of all, enterprising, enthusiastic economists with an excellent economic education are needed. knowledge.

It is known that in any country there is a low-income part of the population. In Uzbekistan, too, some people do not have a sufficient source of income. In order to improve the well-being of our people, such programs as "Every family is an entrepreneur", "Youth is our future", "Prosperous village", "Prosperous micro district", land improvement were adopted. Over the past two years, about 10 trillion soums of concessional loans have been allocated from the budget under the family business development program alone. Of course, this served to create jobs, a source of income for families.

Poverty has been a "closed topic" in our country for many years. In his address to the Oliy Majlis on January 24 this year, the head of our state spoke openly about this, and for the first time in our history, poverty reduction was identified as a priority.

As President Sh. Mirziyoyev noted, "According to preliminary estimates, 12-15% or 4-5 million people are poor. This means that their daily income does not exceed 10-13 thousand soums. Or a family may have both a car and a pet, but if a person is seriously ill, at least 70 percent of the family's income is spent on his treatment. So can such a family be called self-sufficient? As president, I worry every day about what is happening in the lives of our people, such as food, treatment, education and clothing for their children.

In accordance with the Decree of the President and the Decree of February 18, 2020, in order to effectively support low-income and low-income families, involve the population in entrepreneurial activities, the Ministry of Mahalla and Family Support was established. At the mahalla-district (city)-regional-republican level, positions responsible for the development of entrepreneurship and poverty reduction have been introduced, and a vertical system has been created.

The post of Vice Prime Minister for Finance and Economics and Poverty Reduction has also been established, as well as a special secretariat in the government. Reducing poverty does not mean increasing the amount of monthly or pension, mass lending. To do this, first of all, it is necessary to introduce a system of vocational training, financial literacy,



entrepreneurship, improvement of infrastructure, education of children, quality treatment, and targeted benefits.

To this end, together with the United Nations, the World Bank and other influential international organizations, a medium-term and long-term strategy for combating poverty is being developed. Entrepreneurship is developing in our country as a result of supporting entrepreneurship. The most important issue is the reduction of poverty through entrepreneurship training and professional development.

Today in our country there are about 1.4 million women and young people who are not officially employed. The unemployment rate is 13% for women and 15% for youth. This indicator is higher in Fergana, Samarkand, Andijan, Kashkadarya and Tashkent regions.

At the same time, today 104,000 specialists are required in construction, 71,000 in public utilities, 68,000 in the service sector, and 46,000 in light industry.

Based on these requirements and needs, it is necessary to organize entrepreneurship training courses to ensure employment. It is necessary to organize vocational training courses for single and large women, the unemployed, in professions that are in demand in everyday life, in particular, sewing, cooking, hairdressing and other areas.

The sphere of information technology is a business support tool on the one hand, and a separate line of business on the other. Therefore, it is necessary to create interactive mobile applications, "business navigators" that will answer all the questions that are understandable to those who want to be self-employed.

The Chamber of Commerce and Industry, the Agency for the Development of Small Business and Entrepreneurship, together with commercial banks, should develop ready-made business projects in plain language, invite people, and inform all segments of the population about these projects through field communications, the media and social networks.

It is necessary to increase the number of shopping and entertainment centers and develop mobile commerce, removing unnecessary restrictions in this regard.

Since March 1 of this year, a rating system for evaluating the activities of the bodies of the economic complex and the Index of Entrepreneurship Development in the regions have been introduced. Their attitude to the organizations of the economic complex is studied by conducting open and secret surveys of the population. Depending on the results, the



activities of the leaders of the economic complex in a particular region are assessed as "exemplary", "good", "satisfactory" and "unsatisfactory". Those who score positively are rewarded and those who score low are penalized.

Decree of the President of the Republic of Uzbekistan No. PF-5975 dated March 26, 2020 "On measures to radically update the state policy in the field of economic development and poverty reduction."

At a new stage of reforms based on the principles of economic liberalization and the widespread introduction of market mechanisms, increasing the effectiveness of further work to reduce the role of the state in the economy and expand the participation of the private sector requires the development of a clear, transparent and result-oriented mechanism.

At the same time, the task of improving the level and quality of life in the regions, in particular reducing poverty, is directly related to the creation of new and sustainable jobs by increasing the competitiveness of all industries and sectors of the economy and creating fundamental conditions for entrepreneurship.

This, in turn, requires the coordination of ministries and departments involved in structural reform and economic development, the introduction of a modern inclusive institutional system based on the prompt identification and elimination of existing problems and obstacles. Especially:

- the process of ensuring consistency between macroeconomic stability, economic growth goals and structural reforms, as well as the introduction of effective systems and mechanisms based on modern forecasting models for managing economic cycles under the influence of external and internal factors, is being delayed;
- Lack of a coherent system and coordinating state body, regulatory framework, criteria and methodology for assessing the development and implementation of measures to reduce poverty, as well as the lack of a clear separation of the tasks of social support and entrepreneurship in this area. work with population groups remains at a low level;
- clear approaches and principles of socio-economic development of regions have not been fully formed, the interdependence of regional and sectoral development of the economy has not been ensured, human capital and demographic factors are not taken into account in the rational use of existing potential and "relative superiority";



- There are shortcomings in the definition of specific approaches to the development of small and medium-sized businesses in the country, the organization of targeted financial and non-financial support for entrepreneurship, in particular, the systematization of entrepreneurial education and training, including the effectiveness of all programs;
- The lack of a unified industrial policy and strategy based on clear mechanisms and pillars for increasing labor productivity, strengthening the competitiveness of the industry in areas that are fundamental drivers of industrial development, as well as insufficient attention to updating and effective use of technical regulations.

In order to overcome these problems, the Ministry of Economy and Industry of Uzbekistan was reorganized into the Ministry of Economic Development and Poverty Reduction.

The main tasks of the Ministry of Economic Development and Poverty Reduction are:

- development and implementation of macroeconomic policy;
- Poverty reduction;
- socio-economic development of the regions;
- Entrepreneurship development;
- development of advanced industries and implementation of a single industrial policy;
- Reform of state-owned enterprises;
- development and implementation of state investment policy;
- implementation of urban development policy for infrastructure development;
- Improving the business environment and the country's position in international rankings;
- Intensification of economic relations with the world community.

Together with the Ministry of Mahalla and Family Support, the living conditions and social status of citizens of Uzbekistan were studied, and a list of vulnerable groups was compiled. In 2020, 100 billion soums will be allocated to finance poverty reduction measures. In the future, the funds allocated for this purpose will be financed from the state budget.

Within a month, it is planned to develop a draft government resolution on the involvement of low-income and unemployed people, mainly women and youth in entrepreneurship, increase their labor activity and vocational training.



The Ministry will develop a draft presidential decree, which will provide mechanisms to improve the management system of state reserves and prevent a sharp rise in prices for products.

The Ministry of Economic Development and Poverty Reduction plans to develop four important documents: "Concept of Socio-Economic Development of the Republic of Uzbekistan until 2030" and "Industrial Development Strategy", "Poverty Reduction Program" and from 2021 for consumer baskets and livelihoods in all regions. a draft presidential decree providing for the introduction of the required minimum amounts.

Now, medium- and long-term concepts, strategies and programs for the development of all sectors and regions must be adopted in agreement with the new ministry. The Ministry of Economic Development and Poverty Reduction assists other government agencies in coordinating measures to support competition and antitrust, land relations, adoption of technical regulations, geological work, management of state assets and improvement of public-private partnership mechanisms. Together with the Ministry of Justice, it will be responsible for administrative reforms. The Agency for Small Business and Entrepreneurship Development within the Ministry will be reorganized as an Entrepreneurship Development Agency with branches in all regions.

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