



## IMPACT OF POVERTY REDUCTION ON THE ECONOMIC DEVELOPMENT OF THE COUNTRY

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**Annotatsiya:** *Ushbu maqolada iqtisodiy o'sish va uning ko'rsatkichlari, kambag'allikni qisqartirish asosida iqtisodiy o'sishga erishish uchun olib borilayotgan islohotlar haqida ma'lumotlar berilgan.*

**Kalit so'zlar:** *kambag'allik, iqtisodiy o'sish, inson kapitali, YaIM, rivojlanish, bandlik, yashash minmumi.*

**Аннотация:** *В данной статье представлена информация об экономическом росте и его показателях, реформах, проводимых для достижения экономического роста на основе сокращения бедности.*

**Ключевые слова:** *бедность, экономический рост, человеческий капитал, ВВП, развитие, занятость, уровень жизни.*

**Abstract:** *This article provides information on economic growth and its indicators, reforms being carried out to achieve economic growth based on poverty reduction.*

**Key words:** *poverty, economic growth, human capital, GDP, development, employment, standard of living.*

**Introduction.** Resolution PF-143 of the President of the Republic of Uzbekistan on September 23, 2024 on reducing poverty and improving the well-



being of the population. In order to effectively ensure the implementation of Decree no.: the implementation of the "From Poverty to Prosperity" program (hereinafter - the Program) was approved. a number of reforms were established based on the decree. Ensuring stable and high economic growth rates in our republic made it possible to reduce the poverty level from 23% in 2019 to 11% in 2023. By the end of 2025, it was aimed to reduce poverty to 6%.

**Main part.** Economic growth represents the general state of the country's economic development. Although the change in the volume of real GDP provides information about the state and dynamics of the country's economy, it does not fully reflect economic growth. For example, the growth rate of the country's population was 3%, and the growth rate of real GDP was 3%. In this case, even though GDP has increased, people's incomes remain the same. Therefore, to fully reflect economic growth, another indicator - the change in real GDP per capita - is used.

The main goal of every state and its economic activity is to improve the well-being of the population and, in the next place, to be economically strong. In almost all countries of the world, the economic growth indicator for economic activity is calculated annually. In the new stage of reforms based on the principles of economic liberalization and wide introduction of market mechanisms, the effectiveness of further work on reducing the role of the state in the economy and expanding the participation of the private sector will be increased. today requires the development of a clear, transparent and result-oriented mechanism of economic management.

Poverty is an indicator of the economic condition of a person or social groups who do not have the opportunity to meet the minimum needs necessary to get married, maintain the ability to work, and continue the continuity of generations. Poverty is a relative concept and depends on the general standard of living of each society. The state of poverty shows that the lack of resources for a long period of time cannot be compensated with previous savings or with the funds accumulated due to temporary savings for the purchase of expensive goods.

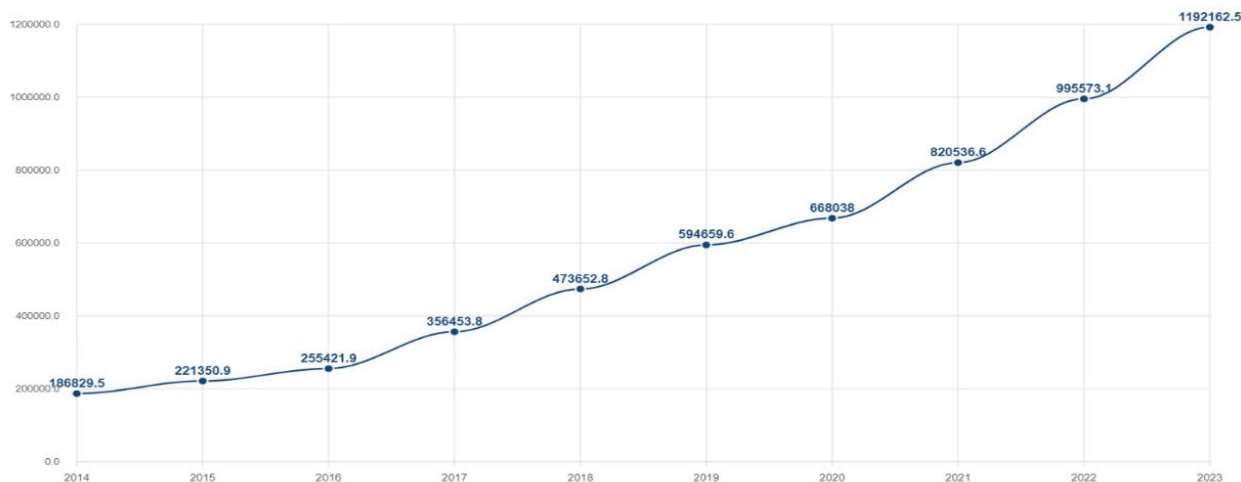


Economic growth is an increase in the volume of production of goods and creation of services in the country compared to previous years (periods). Ensuring economic growth is the main goal of any country's economic policy. Year after year, the increase in the number of the population and the constant increase in the needs of people are among the main reasons that make economic growth a condition. Economic growth serves to raise the standard of living of the population and ensure the well-being of the people. Economic growth is based on the development of leading industries in the economy. Economic growth is based on advanced structure of production, high level of labor productivity, production of competitive products in high demand in domestic and foreign markets, sale of products in favorable markets. In other words, economic growth means continuous increase in the real volume of product production and at the same time improvement of technological, economic and social features in the development of society.

Economic growth directly depends on the country's GDP. Below you can see the 10-year GDP growth indicators of our country:

Picture 1<sup>1</sup>

*Gross domestic product volume (by production method, current prices, annual)*



<sup>1</sup> <https://siat.stat.uz/reports-filed/544/line-data>



Development depends on the growth of human capital, reduction of inequality indicators and structural changes aimed at improving the lives of the population. At the same time, the tasks of improving the living standards and quality of the population in the regions, especially reducing poverty, are directly related to the creation of new and stable jobs at the expense of increasing the competitiveness of all branches and sectors of the economy and creating fundamental conditions for the development of entrepreneurship. This, in turn, requires ensuring the coordination of the activities of ministries and agencies related to the structural reform and development of the economy, and the introduction of a modern and inclusive institutional system based on the rapid identification and elimination of existing problems and obstacles.

**Conclusion and suggestions.** In order to improve the living conditions of the population in the regions, to develop entrepreneurship, to reduce poverty and to achieve the effectiveness of social support programs, a new approach and the application of accumulated national experience to a higher level:

1. In the directions of ensuring high-income stable employment of the population, providing young people with innovative and digital technology-based education and vocational training, creating conditions for the use of medical and social services for all levels, and developing the infrastructure of neighborhoods to lift 500,000 people out of poverty in the remaining period of 2024 and 1 million people in 2025 due to the implementation of comprehensive measures should be designated as the primary task of the state socio-economic policy and state bodies and organizations at all levels.

2. Based on the positive results achieved by the Ministry of Poverty Reduction and Employment, the Ministry of Economy and Finance and the National Agency for Social Protection in the field of poverty reduction and the accumulated national experience and advanced international practice, each citizen should be prepared for



the future of himself and his children. is aimed at creating an opportunity to act responsibly and to realize one's potential

to ensure the inclusiveness of economic growth, to develop, implement and coordinate strategies and programs to reduce poverty in cooperation with state administration bodies, non-governmental non-profit organizations, public organizations and international financial institutions and foreign government financial organizations;

development of specific levers and mechanisms of poverty reduction, development and implementation of criteria for determining the level of poverty and assessment methodology, minimum standards and normative frameworks of social security, taking into account foreign experience;

implementing measures to achieve national goals and objectives in the field of sustainable development, developing a methodology for calculating the minimum living wage and the minimum consumption basket, and carrying out systematic work on the study of population income stratification and their compatibility with state target programs provide;

Starting from November 1, 2024, the program will be implemented based on the principle of "Seven Opportunities and Responsibilities for Poor Families", which includes:

- to achieve stable employment and high income - to establish mutually beneficial cooperation with entrepreneurs and to attract leading entrepreneurs to each neighborhood, effective use of real estate, at least 5 "driver" projects that stimulate socio-economic development in each district and city implementation, additional 50,000 hectares of arable land will be leased to poor families, providing them with small production equipment, mobile shops, scooters, scooters, etc., on condition of payment in installments;

- education and vocational training - in 2024-2025, the level of coverage of children from poor families with preschool education will reach 80%, training of at



least one child of the family in foreign languages, profession or specialty, creating conditions for one child, especially a girl child, to get higher education, to teach children computer literacy, to study information technology and programming courses, including in schools organization of garages;

- access to guaranteed state medical services - every member of poor families should undergo a full medical examination once a year, increase their responsibility for their own health (daily lifestyle and giving up harmful eating habits), creating opportunities for each child to participate in sports clubs, halving the family's out-of-pocket expenses for medical services;

- use of social services - to eliminate factors limiting the ability of families to work by expanding the scope of social services and assistance, in particular, to look after people who need the care of others on a day-time basis, to establish child-rearing and day-care services eat;

- improvement of living conditions - expansion of access to the mortgage system, construction or reconstruction of modern "green" dwellings in neighborhoods using environmentally friendly materials and technologies, delivery of clean drinking water, innovative energy-saving lighting, heating and hot water supply in apartments, and waste recycling implementation of performance systems;

- development of neighborhood infrastructure by the state - continuous supply of irrigation water to farms, electricity and internet to the neighborhood, and improvement of its transport connection with the district center, repair of internal roads, and programs for intensive complex development of the regions in stages step implementation;

- direct communication with the employees of state bodies - the state authorities at all levels establish regular direct contact with poor families, act in solidarity and connect leaders to poor families, helping to solve their problems together.



- To carry out mutually compatible work with the Ministry of Employment and Labor Relations of the Republic of Uzbekistan on qualitative development of the labor market and its composition, analysis and improvement of labor migration processes, and distribution of labor resources;

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