Living Standard of Population in Uzbekistan

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Abstract
The article examines Uzbekistan's poor situation as well as solutions. The author's research on the degree of poverty in the Republic of Uzbekistan is presented in this article, which also explores the reasons, various groups of poverty, and various definitions of poverty as well as its causes and prevalence in the Republic. The examination of the key metrics defining the nation's current socioeconomic situation has been completed. Ways to fix the issue are suggested based on the conclusions reached.

Keywords: poverty level, approaches to the definition of poverty, socio-economic state of the country, ways to solve the problem, reforms, unemployment, social instability, standard of living of the population.

Introduction
Relevance of the study. Solving the issue of boosting the population's standard of life becomes one of the primary issues for bolstering the Uzbek state in the context of radical socio-economic transitions. The social structure of Uzbek society underwent fundamental changes as a result of socioeconomic reforms, which also caused a significant decline in the majority of Uzbeks' level of life. Because of increased downward social mobility brought on by poverty, unemployment, and social instability, a large layer of paupers emerged as a result of the population's marginalization process.

The adoption of successful strategies to end poverty is determined by the requirement to preserve social stability. Helping socially vulnerable groups of people when they need it most can have a big impact on how social processes develop, effectively preventing anomie and promoting social integration.

Purpose of the study - defining the qualitative traits of the low standard of life of the people of the Republic of Uzbekistan throughout the period of social revolution and figuring out how to control it.

The following tasks had to be completed in order to achieve the goal:
- define the standard of living as a socioeconomic category and its meaning;
- to examine contemporary methodological approaches to the definition of poverty;
- to research the sociological characteristics of diverse groups and strata with a poor quality of living and the characteristics of their manifestations;

- describe the current level of the population's standard of living and pinpoint the key factors influencing its evolution based on the examination of factual materials.;
- to research the reasons why different populations in the Republic of Uzbekistan are poor;
- to investigate the viability of utilizing social technologies in the processes of controlling the standard of living and eradicating poverty on the basis of theoretical and methodological advancements and the analysis of factual material.

Object of study - poverty as a social phenomenon.

Subject of study is poverty, as an extreme manifestation of a low standard of living.

Scientific novelty of the study is as follows:
- supported and clarified the definition of the term "standard of living," which the author defines as a complex socioeconomic category that reflects the degree to which needs have developed as well as the circumstances necessary for their fulfillment and enabling a person to participate fully in society. The key metrics defining the standard of living are identified;
- The sociodemographic profile of the poor people is outlined, and the causes of poverty are recognized. Low average per capita income, low wages, low education, poor health, high dependency burden on working family members, individual characteristics associated with lifestyle, value orientations, and living in depressed regions with low economic potential are among the factors that can lead to poverty, according to the author;
- social technologies are necessary for regulating the population's standard of living, providing for the resolution of important problems, such as the regulation of wages; state regulation of population employment; optimization of the life of the able-bodied poor; targeted social support of the population;
- some suggestions were made for utilizing social partnership's potential in efforts to control living standards and reduce poverty. In the workplace, social partnership is viewed as a three-way partnership between the government, employers, and employees as well as a productive dialogue between governmental institutions, private businesses, and nonprofit, non-governmental, philanthropic groups;
- Various definitions of the issue of poverty are systematized, and an author's hierarchy of levels of Russian poverty is proposed, which is supported by science and allows for the differentiation of social support and aid recipients in order to maximize routes out of poverty;
- provided the forms and processes of poverty management in the city, taking into consideration their distribution by management levels; - organized the process of managing poverty in Uzbekistan's contemporary conditions;
- There are a number of objective and arbitrary variables that affect low-income families' social and economic standing.

Official poverty estimates in Uzbekistan are produced by the State Committee on Statistics based on the findings of yearly (quarterly) household surveys (a sample of 10,000 households per year), and by the Ministry for Support of Mahalla and Family based on the findings of noting needy families in the "Temir Daftar"

Household budget survey. Since 2001, the State Statistics Committee has used the World Bank's approach to assess the level of absolute poverty based on the requirement of 2100 kcal of food consumption per person per day. based on the findings of the 2001–2019 household budget survey. Inequality dropped from 27.5% to 11.0%. According to IPMI predictions, using this methodology, the poverty rate is anticipated to rise to 12.3% in 2022, taking into account how the coronavirus pandemic may affect people's quality of life.

According to the severity of poverty, the regions can be categorized in the order listed in Table 1: Tashkent (2.0%), Navoi (8.3%), Tashkent (9.0%), Bukhara (9.2%), and Samarkand regions (10.8%) have the lowest rates of poverty.

Andijan (13.1%), Kashkadarya (13.2%), Jizzakh (13.9%), Khorezm (14.4%), and Ferghana regions (14.9%) have the highest rates of poverty.

Syrdarya (15.0%), Surkhandarya (15.9%), Namangan (16.7%), and the Republic of Karakalpakstan (16.4%) have relatively high poverty rates.

Table 1.

Distribution of poverty level by regions of Uzbekistan

Low level	Average level	High level
Regions (poverty rate 2.0-10.8%)	Regions (poverty rate 13.1-14.9%)	Regions (poverty rate 15-16.7%)
Tashkent city	Andijan region	Syrdarya region
Navoi region	Kashkadarya region	Surkhandarya region
Tashkent region	Jizzakh region	Namangan region
Bukhara region	Khorezm region	Republic of Karakalpakstan
Samarkand region	Fergana region	

Practically speaking, state organizations, including local authorities, do not adopt this methodological approach or its findings. Research institutions and international organizations that use them in comparative evaluations for Uzbekistan and monitoring the implementation of the SDGs until 2030 are the key consumers of this development.

The following are some issues with using this methodology for assessing poverty:

- The existing methodology, which was created approximately 20 years ago, has to be significantly revised and clarified;
- Because this methodology ignores regional differences and population mentalities, its use as a nationwide poverty criterion needs to be justified (as, for example, in the case of identifying needy families in mahallas).

Subjective assessment of the level of poverty in mahallas. The Ministry for Support of the Mahalla and Family of the Republic of Uzbekistan and its territorial divisions were instructed to closely cooperate with citizens' self-government bodies and ensure targeting of the appointment of social benefits and material assistance in accordance with the President's Decree of April 3, 2020, "On additional measures to support the population, sectors of the economy, and business entities during the coronavirus pandemic."

Through the creation of "Temir Daftar" ("iron notebook") lists of destitute families, an accounting system was developed. About 2.5 million persons, or 7.2% of the population, were on the list of

"Temir Daftar" as of November 15, 2020, according to the Ministry for Support of the Mahalla and Family of the Republic of Uzbekistan.

The distribution of regions according to this poverty assessment methodology is presented as follows (Table 2):

Table 2. **Distribution of regions by poverty level according to the method of inclusion in "Temir Daftar"**

Low level	Average level	High level
Regions (poverty rate 4.4-7.0%)	Regions (poverty rate 7.2-8.4%)	Regions (poverty rate 8,6-9,0%)
Khorezm region	Tashkent city	Bukhara region
Jizzakh region	Navoi region	Kashkadarya region
Namangan region	Andijan region	Syrdarya region
Tashkent region	Fergana region	Surkhandarya region
Samarkand region	Republic of Karakalpakstan	

Khorezm (4.4%), Jizzakh (5.4%), Namangan (5.5%), Tashkent (7.0%), and Samarkand regions (5.1%) are the areas with the lowest rates of poverty and need for social assistance.

The Republic of Karakalpakstan (7.5%), Navoi (8.0%), Andijan (7.6%), Fergana (7.2%), and Tashkent City (8.4%) are the regions with the highest average levels of poverty.

Bukhara (8.6%), Kashkadarya (9.0%), Syrdarya (8.7%), and Surkhandarya regions have relatively high poverty rates (8.7).

This methodology also demands an accurate evaluation of the circumstances of families and scientific justification for its usage as a national poverty criteria (together with the State Statistics Committee).

A comparison of the two approaches to assessing poverty shows significant differences not only in Uzbekistan as a whole (12.3% and 7.2%), but also across the regions of the country (Table 3).

Table 3. **Territorial differences in poverty rates (2022 est.)**

Regions	Based on the results of the household budget survey		According to the "Temir Daftar" on mahallas	
Republic of Uzbekistan	Poverty rate	Rating	Poverty rate	Rating
Republic of Karakalpakstan	16.4	13	7.5	7
Regions:				
Andijan	13.1	6	7.6	8
Bukhara	9.2	4	8.6	11
Jizzakh	13.9	8	5.4	2
Kashkadarya	13.2	7	9.0	14
Navoi	8.3	2	8.0	9
Namangan	16.7	14	5.5	3
Samarkand	10.8	5	5.9	4
Surkhandarya	15.9	12	8.7	12
Syrdarya	15.0	11	8.7	13
Tashkent	9.0	3	7.0	5
Ferghana	14.9	10	7.2	6
Khorezm	14.4	9	4.4	1
Tashkent city	2.0	1	8.4	10

The degree of poverty in the two strategies differs significantly. For instance, according to the second method, the Kashkadarya region has a poverty rate of 9.0%, while the Republic of Karakalpakstan has the highest percentage at 16.4%. The difference exceeds 1.8 times. The same holds true for areas with minimal poverty. 2.0% for Tashkent City and 4.4% for the Khorezm area. The differential in this instance is 2.2 times.

Despite the numerous analytical techniques to calculating the level of poverty, it is necessary to explain and provide concrete justification for the current gaps.

For a unified national assessment of poverty with the potential for their practical application, it is important to link the approaches that have been taken into consideration at the macro and micro levels[1].

By 2026, Uzbekistan wants to have cut its poverty in half. The Country Development Strategy for the following five years includes this job.

However, the modern world has entered a new reality as a result of Russia's special military operation in Ukraine, and this reality has its own set of guidelines and limitations. The world economy is harmed by severe anti-Russian sanctions. This blow also reached Uzbekistan.

For instance, labor migrants partially started to return to the country as a result of the negative condition on the labor market of the Russian Federation, the largest importer of cheap labor in the post-Soviet environment. As a result, there was a chance that the unemployment rate would rise, which may later have a severe impact on the republic's population's socioeconomic position.

In 2020, Uzbekistan adopted the Poverty Reduction Strategy.

Uzbekistan started a plan to eradicate poverty two years ago. The Ministry of Economic Development and Poverty Reduction was even established as a distinct department for this purpose.

Up until 2020, the issue of poverty in Uzbekistan was kept under wraps on an official level. The names of some international organizations' programs to fight poverty in the nation (Poverty Reduction Strategy Paper) were changed, and they were positioned as initiatives to raise people's standards of life. At the same time, there was no mention of "poor" in any state paperwork. As a result, the idea that there were no impoverished people in the republic spread. Since the Strategy was implemented, there has been a significant shift in perception of this problem. The state made it clear that approximately 12-15 percent of Uzbekistani population are living at levels of poverty.

Initially, the approach used by the World Bank to determine the nation's poverty rate was used. Thus, the country's poverty rate was 11.9% in 2017 and 11.4% in 2018. Depending on the calculating method, the indicators in this case may change. For instance, if you factor in profits of less than $ 2 per day, this is one number. It is worthwhile to slightly exceed the daily income indicator, for example, up to $ 5, and we will end up with entirely different statistics. In other words, there will be significantly more poor individuals in the nation.

Of course, there was a great deal of disagreement on how to measure poverty, and both academics and the general people voiced their concerns. However, this is now generally how Uzbekistan's governmental policy is implemented.

By 2030, President Shavkat Mirziyoyev wants to cut poverty in half. Because of the epidemic, its implementation was challenging because global economic development slowed down.

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[1] prepared by the Poverty Methodology and Criteria Project

It is important to realize that the people's material well-being plays a role in the elimination of poverty. However, this is by no means the only prerequisite for succeeding in this endeavor. The government must make sure that economic growth is inclusive and that it benefits the entire population as a whole rather than just certain groups within it. This strategy necessitates a number of things, including the development of new jobs, raising the standard of healthcare, education, and social programs, among other things.

The government's main responsibility is to end socioeconomic inequity. It will be feasible to evaluate the success of the governmental policy to combat poverty based on this.

It is first required to establish the parameters of this strategy in order to be able to assess the success of reforms in the social, economic, or political domains. We require goals. This is what the reforms are intended to accomplish.

Monitoring the process based on specific indicators is required to ascertain the success of the implementation of a given project or program. We do not yet have complete standards for assessing poverty-reduction efforts. For instance, the country's poor population will be cut in half, according to the administration. Monitoring is used to assess the efficiency with which the task is being completed, our progress toward the end objective, and if we are on the correct track or not. Data is obviously needed for this. Additionally, it is crucial that they be published in open sources. The "consumer basket" criterion was selected as one of the measures of poverty in Uzbekistan. This component's content and monetary value have been clarified and addressed several times. A person is automatically classified as a poor citizen if they spend more than half of their monthly income on food and other necessities. A person's status changes as the proportion varies, such as when they spend 10% of their income on food and the remaining 90% on other requirements.

There was no "consumer basket" in Uzbekistan until recently, which led to a number of issues. The size of all social payments to the population will actually need to be greatly increased if this metric is calculated using international standards. The state budget will be put under further strain as a result. Is the Treasury Willing to Take on Such a Burden? After all, Uzbekistan's economy is distinct since it includes a social sector. This brings up another crucial query: Can we actually implement this social component? After all, eradicating poverty requires planning down to the smallest of details: who and where to hire, how much to pay the unemployed, etc.

Conclusion

According to the Action Plan for 2020–2021, Uzbekistan is creating a Poverty Reduction Strategy till 2030 in order to revive economic growth and carry on structural improvements. The creation of a methodology, the adoption of best practices from around the globe, the identification of persons in need, and the improvement of mechanisms for targeted support measures are all included in this endeavor. A draft Concept for Poverty Reduction in Uzbekistan has previously been produced by the Center for Economic Research and Reforms and the Ministry of Economic Development and Poverty Reduction.

The pandemic's effects have made the task of reducing poverty considerably more challenging and important at the same time. And in this case, using the most recent advancements in this field is crucial for the growing Poverty Reduction Strategy in Uzbekistan to be as successful and efficient as possible. The Poverty Reduction Strategy will undoubtedly be improved upon and brought closer to the actual needs and desires of people on the ground as a consequence of the

experience and results gained during the pilot project in the Tashkent region's Buka and Chinaz districts.

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