

**PRIORITY DIRECTIONS FOR REDUCING POVERTY IN THE REGION'S  
SOCIAL AND ECONOMIC DEVELOPMENT****Sharapova Nigina Kadirovna**

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In the modern world, poverty is considered not only as an economic problem, but also as a deep social and cultural problem. As a result of the high differentiation of incomes in the society, there are negative consequences that increase the probability that people will find themselves in a very difficult situation - the state of poverty. According to data for 2024, approximately 8.5–10.3 percent of the world's population lives on an income of less than 2.15 US dollars per day, and about 692 million people are in extreme poverty<sup>1</sup>. Poverty is one of the most serious problems of our time, preventing the successful economic development of countries. It limits the population's ability to purchase essential goods. Negative economic and social processes occurring in a united society contribute to the deepening of inequality and social differentiation in the country. This, in turn, stimulates the improvement of strategies to combat poverty based on the effective use of the specific social-economic and natural potential of the region.

In recent years in Uzbekistan, raising the standard of living of the population, reducing poverty and ensuring sustainable social and economic development have become one of the priority directions of state policy. As a result, new mechanisms were introduced in the country, such as the "Mahallabay" system working», which is aimed at studying the needs of the local population, providing employment, developing entrepreneurship and implementing targeted social measures. Also, systems and mechanisms were introduced, such as the «Mahalla ettilligi» system, «Mahalla association», «Republican council for neighborhood support» and «Mahalli budget» in each district and city.

Today, in republican neighborhoods, the most common type of activity for reducing poverty is artisanal production. Craftsmanship is a job performed by a physical person (craftsman) on the basis of a labor contract concluded with an employer, or in houses owned by him or his family, or rented. This is also a form of self-employment, in which citizens can be attracted to work in the field of handicraft production.

The most common types of artisanal production include knitting, embroidery, pottery, embroidery, tandoor making, atlas and address weaving, hat making, blacksmithing, beekeeping, making national jewelry, furniture, carpentry and carpentry, confectionery, IT - programming, design, photography, cosmetology, baking, e-sports, teaching and tutoring, auto service and others. The author recommends artisanal production as one of the most important directions in reducing poverty.

At the moment, in the districts and cities of the Bukhara region, the main «driving»

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<sup>1</sup> <https://www.worldbank.org/en/publication/poverty-prosperity-and-planet>

industries are determined, based on the «growth points» of the regional and district centers. Below are the specializations of cities and districts of the Bukhara region (see table 1).

**Table 1****Specialization of cities and districts of Bukhara region**

("Growth points" - " driver " industries )<sup>2</sup>

No.	Names of regions	"Growth points" - "driving" industries of districts (cities)
1.	City Bukhara	Tourism and textile industry, food industry, handicrafts
2.	City of Kagan	Development of construction materials and tourism, service spheres, logistics
3.	Bukhara area	Development of food industry, furniture production, greenhouse economy
4.	Vobken area	Development of textile industry and gardening
5.	Jondor area	Development of food industry, poultry farming, greenhouse farming
6.	Kagansky area	Production of industrial goods, production of building materials, bird breeding, greenhouse farming, pilgrimage tourism
7.	Gijduvan area	«Sfera uslugi (commercial services), development of building materials, consumer goods»
8.	Korakul area	Textile industry, leather industry (leather processing), animal husbandry
9.	Korovulbozorsky area	Building materials, chemical and petrochemical industry (cement products)
10.	Olotsky area	Textile industry, cattle breeding
11.	Peshkul'sky area	Building materials, development of greenhouses
12.	Ramitan area	Textile industry, development of greenhouse economy
13.	Shafirkand'sky area	Construction materials, horticulture development

Analyses of the current situation show that today the role of the neighborhood system in ensuring the employment of the population and preventing poverty in the neighborhoods increases significantly. However, together with this, the neighborhood work system also becomes increasingly complex.

According to the author, for the reduction of poverty in the neighborhoods, it is expedient to develop the program «Economic development of the neighborhoods and the provision of employment of the population through entrepreneurial activities and profitable work», taking into account the internal opportunities and deep specialization of each neighborhood. The following priority tasks must be taken into account in the program:

1. Development of new directions of family business and organization of business cooperatives in the field of services in neighborhoods.

2. Achievement of economic growth by effective organization of new projects in driver industries, corresponding to population potential and professional skills.

<sup>2</sup>Compiled on the basis of the author's calculations.

3. Implementation of new projects in the field of services and services, based on needs and requirements.
4. Effective use of existing mechanisms of subsidies and compensation for the support of enterprises.
5. Development of the service of land plots of the population.
6. Organization of a training system for citizens who wish to engage in craft and entrepreneurial business, to guide them into entrepreneurial activity.
7. Determination of vacant buildings and land plots in neighborhoods, preparation of proposals for their effective use, as well as consultations for entrepreneurs on new projects in small industrial zones.

In recent years, in the Bukhara region, thanks to such government programs as «Every family is an entrepreneur», «Register of youth and women», «Work at the place of residence», the number of new workplaces has significantly increased, the unemployment rate has consistently decreased, and the income of the population has shown stable growth. At the same time, the poverty level decreased from 12.5% in 2020 to 8.2% in 2024. This reflects the effectiveness of the social-economic policy implemented in the region.

According to preliminary statistical data, the indicator of the creation of new jobs for five years increased almost 5.4 times. Since the main part of the population lives in rural areas, a high level of employment in the rural economy is preserved. Рабочие места, созданные через инвестиционные проекты, в 2024 году increased almost в в раз по высовый с 2020 годом. This testifies to ongoing economic structural reforms and active attraction of private capital (see table 2).

**Table 2**

**Indicators of creating new workplaces, increasing population incomes, reducing poverty and unemployment in the Bukhara region<sup>3</sup>**

No.	Target indicators	Unit of measurement	2020 year	2021-year	2022-year	2023-year	2024-year
1.	New jobs and employment for the population within the employment program	thousand people	40.4	33.4	464.7	398.9	216.4
2.	The population that will be provided with employment as part of investment programs	thousand people	15.2	13.4	14.8	15.6	13.9
3.	The population that will be provided with employment in the service sector	thousand people	25.2	20	143.5	130.5	59.2

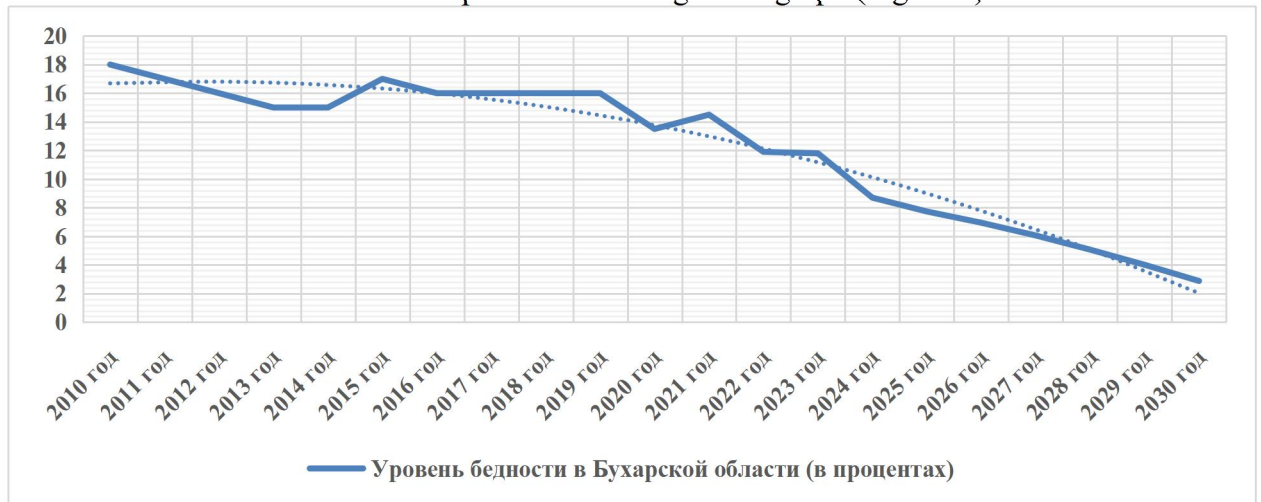
<sup>3</sup>Compiled by the author on the basis of point "g" target indicators of the program of social-economic development of the Bukhara region.

No.	Target indicators	Unit of measurement	2020 year	2021-year	2022-year	2023-year	2024-year
4.	The population that will be provided with employment in the rural economy	A thousand people	x	x	297.9	241.6	135.4
5.	The population that will be provided with employment in the construction industry	thousand people	x	x	8.5	11.2	7.9
6.	Reduction of the level of unemployment	in percentages	10.6	9.8	8.8	0.12	1.4
7.	Lowering the level of poverty	in percentages	x	14.7	12.2	11.8	5
8.	Granting credits within the framework of the program «Every family is an entrepreneur»	number	12 130	31 928	39 310	37 164	26 345
9.	Realization of micro- and small projects in families with low income	number	x	x	x	x	16 320
10	Training of citizens who want to work abroad, professions and foreign languages	person	x	2300	3000	3700	3375
11.	Organized employment of citizens who are looking for work overseas, in foreign countries	person	x	197	3500	2100	10500
12.	Provision of preferential credits to persons traveling abroad in an organized manner	person	x	60	48	60	120
13.	Provision of material, legal, social and other assistance to families of labor migrants	person	x	3200	3500	4500	4500
14.	"Return of low-income labor migrants with unstable jobs to their homeland"	person	x	x	x	x	13604

Analyses show that the number of people employed in agriculture from 2020 to 2024 has almost doubled (from 80.2 thousand to 154.4 thousand). Similar growth is observed in the construction industry — from 15.4 thousand in 2020 to 33.4 thousand in 2024. The unemployment rate in 2024 has decreased by almost 30% compared to 2020. The poverty rate also decreased from 12.5% to 8.2%. This testifies to the increase in income of the population

and the improvement of mechanisms of social assistance.

Statistical data on the level of poverty in the Bukhara region for the period from 2015 to 2025 and forecast results until 2030 are presented in the general graph (Figure 1) as follows:



**Figure 1. Prognostic results of poverty level in Bukhara region (in percentages)<sup>4</sup>**

From this graph, it is clear that the level of poverty in the Bukhara region will decrease in the following years. It is also expected that by 2030, the poverty level in the Bukhara region will be 2.88 percent.

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<sup>4</sup> Developed by Author: om .