### THE EFFECT OF UNEMPLOYMENT ON THE ECONOMIC SECURITY OF THE COUNTRY AND MEASURES TO PREVENT IT

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### **ABSTRACT**

In this article, employment indicators and unemployment indicators in the Republic of Uzbekistan are highlighted based on the information of the State Statistics Committee of the Republic of Uzbekistan. In addition, this article includes the sets of measures taken by our government to reduce the unemployment rate and increase the employment rate in the country.

**Keywords:** Economic security, state subject, state socio-economic policy, unemployment (indicator), employment (indicator), statistical data.

### RESEARCH METHODOLOGY

Observation, generalization, factorial and dynamic comparison, logical analysis methods are used in the research work.

### ANALYSIS AND RESULTS

In the system of economic security, the issue of economic security of a person occupies a special place. Because at the next stages of development, the influence of society on decision-making processes is increasing, that is, the influence of the human factor is increasing. In the current period, human development and quality of life has become a criterion for the efficiency of state administration. Such a situation shows the existence of interdependence between the economic and social security of a person. Economic security of a person is a condition when the conditions for the protection of the important vital interests of a person are guaranteed, when the system of social development and the protection of a person and society is provided. The economic security of a person is determined by the national economic security, the socio-economic policy of the state. The legal basis of human economic security in our country is the Constitution of the Republic of Uzbekistan, the Civil Code, laws of the republic and various legal documents. Citizens and society are the object of economic security of mankind. Jobs, social security system and material production are the subject of economic security of a person. The tasks of state activity in the field of ensuring human economic security are as follows:

- Analysis and synthesis of factors that negatively affect the system of economic security of a person;
- Implementation of economic policy and institutional changes that serve to improve socioeconomic policy.

The state strategy for human economic security includes the following:

• Food supply;

- Ensuring employment;
- Creating conditions for education;
- Providing information;
- Providing medical services;
- Pension provision;
- Protection of personal savings;
- Providing housing and communal services;
- Ensuring environmental safety.

Human social security refers to the development of the country's economy, including health care, education, culture and other sectors of the social sphere, to the extent that allows satisfying the individual's needs for goods and services in sufficient quantity and quality.

When talking about "unemployment", which is one of the most important indicators of economic security, first of all, based on the essence of the economic meaning of the term unemployment, we inform you that:

Unemployment means that a part of the economically active population cannot find a suitable job and becomes a labor reserve.

In Uzbekistan, the concept of unemployment officially became normative in 1992 with the adoption of the Law "On Employment of the Population".

Unemployment is one of the major social and economic problems that directly affects human interests. For many people, losing a job leads to a decrease in the family standard of living, turmoil in their personal life, and has a negative impact on the human psyche.

In actual economic life, unemployment is manifested in the way that the supply of labor force exceeds the demand for it. The causes of unemployment are different:

- With the development of technology, labor productivity increases, production becomes less labor intensive;
- Total demand and supply balance in the economy is disturbed, therefore, the decrease in the market demand for goods reduces the demand for labor force, as a result, part of the labor force becomes redundant;
- With the development of the economy, the demand for qualified labor force increases, and unskilled labor force becomes unnecessary;
- In times of rapid growth of population strata compared to workers, a part of it becomes redundant and becomes unemployed.
  - As the causes of unemployment are different, its forms are also different:
- Frictional unemployment is unemployment from time to time due to various reasons (moving to a new place of residence, changing profession, raising a child, choosing a new job, etc.). This is voluntary unemployment;
- Structural unemployment it occurs when the people who worked in the old industries have not mastered the professions needed by the new industries in the conditions of the changed production structure;
- Cyclical unemployment is unemployment that occurs as a result of a decrease in production due to economic stress. This means forced unemployment;

- Seasonal unemployment means that those employed in seasonal work are unemployed after the end of the season;
- Hidden unemployment is only part-time work of those officially employed. An example of this is those who switched to a reduced working day or working week, those who went on unpaid leave due to lack of work.

Along with the employed, the unemployed make up the labor force of the country. The main goal of studying the problem of unemployment in the economy is to develop measures related to the expansion of the production of the country (enterprises) and the further improvement of the standard of living of the population by improving the employment process of the population. It should be noted that the ranks of the unemployed usually include not only those who were dismissed for various reasons, but also those who left their jobs voluntarily and those who are trying to find a new job.

The structure of unemployment includes 4 main categories of labor force according to its causes:

- Those who lost their jobs as a result of dismissal;
- Those who voluntarily quit their jobs;
- Those who are looking for a job after the break;
- First-time job seekers.

The ratio of these categories depends on the stages of economic development.

Unemployment at the level of 3 - 5% is considered normal for the economy (natural limit of unemployment). In order to reduce the level of unemployment, state employment programs will be developed, enterprises will be built, new jobs will be created, training and retraining of employees for new professions will be carried out, and an employment assistance fund will be established.

According to labor laws, unemployment benefits are paid to the unemployed through labor exchanges.

Employment is the employment of the able-bodied population in socially useful work, related to the satisfaction of personal and social needs of citizens, and does not conflict with laws, and provides labor income. Employment refers to interpersonal relations involving the employee in specific labor cooperation based on the social division of labor. Employment is not limited to salaried work in enterprises and organizations of various forms of ownership, but also includes self-employment, self-employment, work in a private household, household employment, and child care. Employment is a relationship between two parties, usually based on a wage-earning contract where one party is the employer, a non-profit organization, cooperative or other organization is the employee. Employment is usually regulated on the basis of regulatory and legal documents in the field of labor.

It was emphasized that small domestic production projects such as handicrafts, tailoring, handicrafts, and confectionery should be expanded in the neighborhood itself<sup>1</sup>. In this regard, an order was given to start the work of establishing industrial, craft and household microcenters in 700 specialized neighborhoods within one month. 70 of these centers should be opened in neighborhoods with a high unemployment rate. Land and property tax will not be

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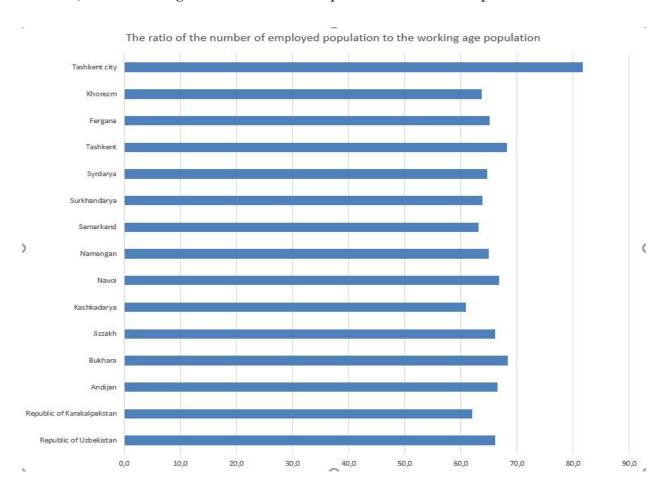
<sup>&</sup>lt;sup>1</sup> https://t.me/Press\_Secretary\_Uz

collected from these centers for 5 years. This year, 500 billion UZS will be allocated for these purposes, employment of 50,000 people will be provided through these industrial centers.

Another issue is that since the beginning of the year, about 5,000 empty buildings have been identified by the mayor's assistants. It was determined that the proceeds from the sale and rental of empty buildings and structures identified by the mayor's assistants will be used for the development of the infrastructure of this neighborhood. "In general, an empty building should not remain until the end of the year," said the President.

Now we will analyze the employment and unemployment indicators in the Republic of Uzbekistan based on statistical data:

According to the statistics of 2020, the employment rate in the Republic of Uzbekistan was (66.0%), including the Republic of Karakalpakstan (62.0%), Andijan (66.5%), Bukhara (68.2%), Jizzakh (66.2%), Kashkadarya (60.9%), Navoi (66.8%), Namangan (65.0%), Samarkand (63.2%), Surkhandarya (63.9%), Syrdaryo (64.8%), Tashkent v. (68.2%), Fergana (65.1%), Khorezm (63.7%), Tashkent region. (81.7%) made up the indicators. (1-picture)



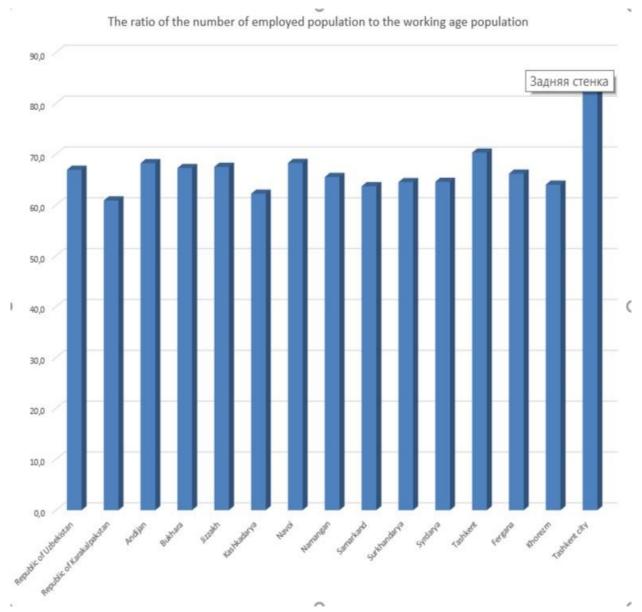
1-picture. The ratio of the number of employed population to the working age population (2020).

According to the statistics of 2021, the employment rate in the Republic of Uzbekistan was (66.9%), including the Republic of Karakalpakstan (60.9%), Andijan (68.2%), Bukhara (67.3%),

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<sup>&</sup>lt;sup>2</sup> https://stat.uz/uz/

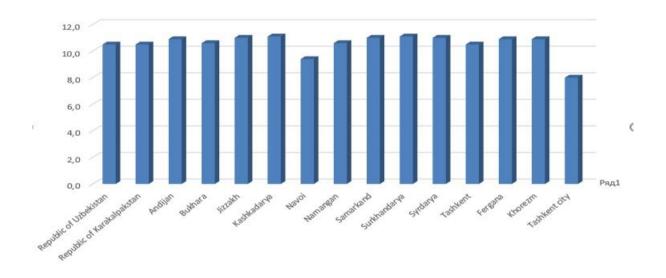
Jizzakh (67.5%), Kashkadarya (62.2%), Navoi (68.3%), Namangan (65.5%), Samarkand (63.7%), Surkhandarya (64.5%), Syrdarya (64.6 %), Tashkent v. (70.3%), Ferghana (66.2%), Khorezm (64.0%), Tashkent region. (83.3%) made up the indicators. In 2021, employment indicators increased by 0.9% compared to 2020. (2-picture).



2-picture. The ratio of the number of employed population to the working age population (2021).

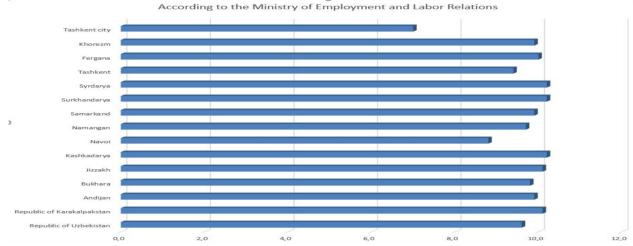
According to statistics of 2020, the unemployment rate in the Republic of Uzbekistan was (10.5%), including the Republic of Karakalpakstan (10.5%), Andijan (10.9%), Bukhara (10.6%), Jizzakh (11.0%), Kashkadarya (11.1%), Navoi (9.4%), Namangan (10.6%), Samarkand (11.0%), Surkhandarya (11.1%), Syrdarya (11.0%), Tashkent v. (10.5%), Fergana (10.9%), Khorezm (10.9%), Tashkent. (8.0%) made up the indicators. (3-picture).





3-picture. The ratio of the number of unemployed population to the working age population (2020).

According to statistics of 2021, the unemployment rate in the Republic of Uzbekistan was (9.6%), including the Republic of Karakalpakstan (10.1%), Andijan (9.9%), Bukhara (9.8%), Jizzakh (10.1%), Kashkadarya (10.2%), Navoi (8.8%), Namangan (9.7%), Samarkand (9.9%), Surkhandarya (10.2%), Syrdarya (10.2%), Tashkent v. (9.4%), Fergana (10.0%), Khorezm (9.9%), Tashkent. (7.0%) made up the indicators. (4-picture)



4-picture. The ratio of the number of unemployed population to the working age population (2021).

According to the Ministry of Employment and Labor Relations of the Republic of Uzbekistan: The unemployment rate in Uzbekistan in January-June 2022 was 8.8%, which decreased by 0.9% compared to the same period last year.

In June 2022, another social survey was conducted in 108 cities and districts of our republic by the Labor Market Research Institute under the Ministry of Employment and Labor Relations. 500 self-governing bodies, 5,000 households and 26,500 citizens were covered during the research conducted based on the recommendations of the International Labor Organization.

As of June 1, 2022, the number of labor resources amounted to 19,453,300 people, which increased by 100.8 % or 153,700 people compared to the same period of 2021.

The number of people employed in economic sectors amounted to 13,773,600 people, which increased by 1.9% or 261,300 people compared to the same period last year.

As of June 1, 2022, the number of people employed in the official sector amounted to 6,074,400 people, and compared to the same period of 2021, the number of people employed in legal entities increased by 4.1 percent or 240,600 people.

The number of people employed in the informal sector amounted to 5,690,300 people, which decreased by 8.2 percent or 507,500 people compared to last year.

This was mainly achieved due to the registration of citizens working in an informal way as selfemployed persons and the allocation of vacant land as arable land for the establishment of farms.

Also, the number of people who went to work in foreign countries amounted to 2,008,800 people, an increase of 528,200 people compared to the corresponding period of the previous year, which led to a decrease in informal employment.

As of July 1, 2022, the economically inactive population in our republic amounted to 4,353,200 people, an increase of 0.9% or 38,800 people compared to the corresponding period of the previous year.

In this case, those who do not want to work or do not have the opportunity to get a job immediately decreased by 183,600 people compared to last year, while the number of students who are separated from production and women on maternity leave increased by 222,400 people.

#### **SUMMARY**

Statistical data show that economic growth in Uzbekistan has not gone hand in hand with an increase in the number of stable jobs and employment. In addition, in the above diagrams, we can see that the employment level of the population is increasing year by year, and the unemployment rate is decreasing in the country. In its place, this means that our state is fulfilling its priority and strategic tasks in ensuring the country's economic security.

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