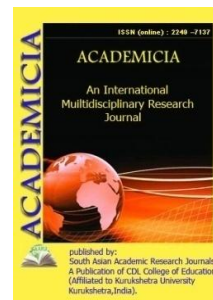




ACADEMICIA
**An International
 Multidisciplinary
 Research Journal**
 (Double Blind Refereed & Peer Reviewed Journal)



DOI: 10.5958/2249-7137.2021.00730.8

**THE ORETICAL, PRACTICAL AND DEMOGRAPHIC ASPECTS OF
 LABOR MARKET DEVELOPMENT IN UZBEKISTAN**

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ABSTRACT

The article reveals the main aspects of the labor market in Uzbekistan in the context of the transition of the economy from the industrial to the informational stage. Used statistical data. When studying the labor market in Uzbekistan, factors influencing it have been identified and the influence of these factors has been theoretically substantiated. Shows their manifestation in practice from the point of view of demographic processes on the labor market. General conclusions are made and theoretical and practical recommendations are developed. The problem of annual employment of about 300 thousand young citizens entering the labor market for the first time and 100-120 thousand labor migrants returning to their homeland is especially urgent.

KEYWORDS: *Republic of Uzbekistan, labor market, labor resources, demographic situation, formal and informal employment, labor migration, active and passive employment policy, monitoring of the social and labor sphere.*

INTRODUCTION

Recently, among the numerous problems observed in the economy, the issue of the effective functioning of the labor market is highly relevant. Its successful solution is directly related to a deep understanding of the objective laws of its development.

The labor market is one of the developing systems where there is a priority of external factors, for example, technical progress. Changes in the conditions of social development, in accordance with technical progress, is reflected in the mechanisms and organizational structures of social regulation of the labor market. This situation was observed in the 1920s and 1930s during the technical revolution and is observed to this day. The progress of science and technology in the 70s and 80s of the last century led not only to a change in the technical and technological

structure, but also to the transition from the industrial to the informational stage of the development of human society. It is based on the ability to harmonize scientific potential, knowledge and information. The "intellectual economy" has turned humanity into the main productive force of society, and its creative potential into capital. The formation of such new qualities in a modern person requires a revision of not only the structures and mechanisms of the labor market, but also labor relations in general.

At present, Uzbekistan has reached such a level when one can speak of a country with an average level of development. The creation of decent and sustainable jobs, the elimination of forced and child labor have become relevant. The problem of annual employment of about 300 thousand young citizens entering the labor market for the first time and 100-120 thousand labor migrants returning to their homeland is especially urgent. In addition, the issues of ensuring the growth of economic activity of women and the reduction of informal employment also need to be addressed.

In conditions when at least 2 million people need employment, and the annual growth of the labor force is 350-370 thousand people, it is necessary to accelerate the creation of sustainable and productive new jobs. However, the development and implementation of programs for creating new jobs for many years has not solved the problem of expanding sustainable and highly productive employment. About three quarters of jobs are created due to the accelerated development of small business, private and individual entrepreneurship without the formation of a legal entity, the development of all forms of home work and self-employment.

Those employed in the informal sector, including informal labor migrants, are not covered by quality protection and decent working conditions, social insurance and risk falling into the category of low-income strata of the population, both at present and in old age. In addition to them, young people and women employed in the economy are also at risk of becoming unemployed.

Thus, the overwhelming part of employment (those employed in the informal sector, labor migrants working informally, youth and women employed in the economy) is unstable, that is, it temporarily provides the worker with income, but does not guarantee the sustainability of their receipt in the future, the preservation of a job and decent working conditions, growth of labor productivity, career growth, self-realization of the employed.

However, in modern conditions, when the country sets itself the ambitious goal of a quick transition to the group of countries with an upper middle income level, the problem of reducing informal employment becomes extremely urgent, since without ensuring inclusive growth in labor productivity and real incomes of the population, as well as without expanding the middle class, it is impossible to achieve this goal.

After Sh. Mirziyoyev was elected President of the Republic of Uzbekistan, Uzbekistan began to take decisive steps to achieve this goal. Thus, the most important area of development of the social sphere within the framework of the Action Strategy for five priority areas of development of the Republic of Uzbekistan in 2017-2021. is to increase the level of employment of the population through the creation of new sustainable jobs. At the same time, the creation of sustainable and decent jobs for such categories of the population as women and youth is of particular importance. The system of public administration of employment in the Republic of Uzbekistan is undergoing significant changes. The administrative reform of this system is aimed

at horizontal and vertical optimization of the functions of the Ministry of Employment and Labor Relations, which is responsible for state employment policy.

Currently, not only the organizational structure of labor bodies, the legal framework for state regulation of employment, methodological support of labor statistics are being improved, but also the entire system of public service.

State regulation of employment in Uzbekistan is carried out through the state employment policy through a network of special state institutions in order to maintain an acceptable level of employment, increase labor mobility, and create new jobs. State employment policy is a set of measures of direct and indirect impact on the socio-economic development of society in general and each of its members in particular.

State regulation of employment of the population is based on the following principles:

- ensuring social partnership of subjects of the labor market;
- promoting effective employment, preventing the growth of unemployment, creating new jobs, ensuring the voluntary choice of the sphere and place of activity;
- Compliance with the complexity of measures to regulate the employment of the population;
- Support for able-bodied citizens of working age who need social protection;
- Provision of preventive measures to regulate employment and reproduction of jobs;
- Availability of a guarantee of preservation of jobs and professions, income generation, etc.

Depending on the state of the economy and the labor market, there are two main options for implementing employment policy: active and passive. An active employment policy is a combination of legal, organizational and economic measures taken by the state in order to reduce the unemployment rate. It provides for measures to prevent dismissal, training and advanced training, active search and selection of jobs, financing the creation of new jobs. The passive employment policy provides for the payment of unemployment benefits and the provision of simple job search services through the public employment service. Such a policy can justify itself only with a high flexibility of the labor market as a whole [10, 1-2].

One of the important tools for developing a sound and effective state social policy is monitoring the social and labor sphere. Its main tasks are constant monitoring of the actual state of affairs in the sphere of social and labor relations, a systematic analysis of the processes that take place in it, prevention of negative trends that could lead to social tension and an increase in the unemployment rate to a critical one, as well as a short-term forecast of possible changes in this domain. Monitoring of the social and labor sphere is a comprehensive state system of continuous monitoring of the actual state of affairs in this area. The result of monitoring should be proposals for further reforming the economy, solving the problems of employment and unemployment, strengthening social protection of the population.

Monitoring is based on the solution of three main groups of problems: methodological, scientific and informational. Methodological monitoring tasks are the development of scientific foundations, structure and system of monitoring indicators, sampling methods and tools that allow obtaining reliable research results. Scientific tasks - tracking and analyzing specific shifts in the social and labor sphere (studying labor relations, the state of employment and

unemployment, the level of education, qualifications and living standards of the population, assessments, attitudes and behavior of people, changes in the social structure of society, the development of forecasts, etc.). Information tasks - providing reliable and objective information, the consumers of which are the appropriate circle of scientists and leaders of all levels.

Monitoring allows you to assess the completeness and effectiveness of the implementation of legislative acts on social and labor policy, to facilitate the adoption of optimal decisions at various levels of government. International documents formulate the main goals of statistics and collection of information on the labor activity of the population: measuring human and labor resources in order to carry out macroeconomic analysis and planning the development of these resources, as well as measuring employment, income and other aspects of labor activity for the development and implementation of programs in the field of social policy, improvement of mechanisms of state regulation of the labor market.

The correct distribution of human resources in the labor market serves the interests not only of its individual participants, but also of society as a whole. Through the labor market, our main national wealth - human resources - are used in various spheres of the national economy.

The essence of labor economics, first of all, boils down to the relationship between employers and employees regarding the conditions of compensation for labor, the cost of labor, material and non-material aspects of employment [1,377-384]. The listed elements of the relationship between labor market participants motivate or limit their individual choice. In this regard, the following questions are of research interest:

- Population growth in the Republic of Uzbekistan and employment problems;
- Ways of influence of supply and demand in the labor market on the process of making decisions by individuals on the choice of a particular type of employment;
- The role of education and training;
- Non-traditional employment and migration problems.

Ways of the influence of supply and demand in the labor market on the process of making decisions by individuals about choosing a particular type of employment. In this regard, the conditions under which employers and workers enter into employment contracts are at the heart of the labor market. First, this is due to the fact that recruitment agencies act as intermediaries between “sellers” and “buyers” of labor services. Secondly, after establishing the first contact with each other, the parties exchange information about the cost and quality of the desired work. Usually this process takes place during the interview of the candidate or is described in detail on the questionnaire. Third, when the parties have reached an agreement, we can talk about the emergence of a formal or informal labor agreement. It contains information about wages and working conditions, including the rights and obligations of the parties and the length of working hours. As a result, transactions between the employer and the employee contribute to the distribution of the labor force at the level of wages that corresponds to the degree of qualifications and knowledge of the employee [10, 1-2].

Let's look at a specific example. Suppose that under resource constraints, workers prefer high-paying jobs over low-paying jobs if all other job characteristics are the same for every task. Thus, they will leave low-paid jobs in order to get more profitable ones if they believe that

sufficient improvement is likely to be [2,30-32]. This principle does not mean that workers only care about wages or that everyone can equally leave. Workers obviously care about a number of employment characteristics, and improving any of them in their current job makes turnover less likely.

Understanding the nature of the labor market in terms of normative economics begins with the realization that there are two types of economic transactions. The essence of the first type of economic transactions in the labor market is that all parties to the transaction make a profit. For example, if a specialist is ready to create drawings for 10 thousand UZS per hour, and the customer is ready to pay for such work up to 15 thousand UZS per hour, then both parties to the transaction will be in an advantageous position when they can agree on the hourly cost of work in the amount of from 10 thousand to 15 thousand soums Such a deal is mutually beneficial. The role of the labor market is to facilitate these voluntary, mutually beneficial deals. If the labor market is successful in promoting all possible mutually beneficial transactions, we can talk about achieving Pareto efficiency [3]. If Pareto efficiency were actually fully achieved, then no more transactions in the labor market would be carried out voluntarily, because they would not be mutually beneficial.

In the second type of transaction, one or more parties of the employment contract lose. These transactions often involve redistribution of income, of which some benefit at the expense of others. The increase in the number of such transactions shows the ineffective functioning of the labor market. When employers and job seekers enter into negotiations, they usually weigh the costs and benefits only for themselves - and, of course, decide to close the deal if the benefits outweigh the costs. If all transaction costs and benefits fall on the decision-makers, then society can be confident that the transaction represents a step towards Pareto efficiency. However, sometimes jobseekers are not on an equal footing with the employer and therefore are not able to influence the decision on hiring. This happens when the demand for labor is much less than the supply.

A similar imbalance in the labor market is pushing states to intervene in employment processes taking into account the demographic aspects of the labor market. Government policies affecting the labor market are often based on a widespread, but not generally recognized, value orientation, according to which the distribution of income among the population should be more equal [4,6-13]. To this end, the state implements social security programs, adopts laws on minimum wages and imposes restrictions on migration. The essence of such a policy is that vulnerable groups of the population should not expose themselves or their families to the risk of physical or financial harm due to negative fluctuations in the labor market.

So, normative economics emphasize the efficiency of the labor market over considerations of social justice. For a transaction to be mutually beneficial, all it takes is for each party to a labor transaction to be in a relatively win-win condition. From a scientific point of view, the study of voluntary transactions of labor market participants is useful when considering economic efficiency [5,77-87]. However, considerations of equity are always linked to the comparison of a lack of well-being. For making political decisions based on considerations of justice, vulnerable populations usually turn to the leadership of the political system, not to the markets.

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