

The Uzbek model of poverty reduction and the experience of China



In the context of the crisis caused by the coronavirus pandemic, one of the global and intractable problems of the modern world is poverty. It has a negative impact, both on the quality of life of the population, and on the social, economic and political side of the functioning of any state.

Among the main causes of poverty are: economic (unemployment, lack of jobs, low income, insufficient funding of social programs); social (disability, old age, poor health, single-parent families, a large number of dependents in the family, belonging to a minority of a particular ethnic group, low qualifications); political (military conflicts, disintegration of the country, forced migration).

The poverty level is not clearly defined and depends on the general level of the country's well-being. At the same time, a distinction is made between absolute and relative poverty. Absolute poverty implies the inability of a person to meet his basic needs - food, clothing, housing. Relative poverty is due to the lack or inadequacy of the means to lead a lifestyle that is common or widely accepted in a given society. It includes good nutrition, normal conditions for life, work and rest, education and medical services. The level of relative poverty is set in comparison with the average disposable income in the country.

The negative consequences of poverty for the socio-economic development of society and the state are manifested in the following: 1) economic growth is constrained; 2) increasing social tension in society; 3) the crime rate is increasing; 4) migration processes are activated; 5) the way of life of the population is deteriorating. Poverty can also be viewed as one of the negative factors affecting demographic and, therefore, national security. There is also a psychological aspect of poverty: it causes a feeling of shame in a person, worsens his psychological state, humiliates his dignity and self-esteem.

The desire by any means to resolve the problem of poverty should be a natural priority for any modern civilized state and for the entire world community. Therefore, the problem of poverty is central to the global UN documents - the Millennium Declaration (2000-2015) and the 2030 Agenda for Sustainable Development, which has been implemented since 2015.

In developing their programs and projects, the World Bank, UNDP, FAO, UNICEF and other international organizations also prioritize the problem of poverty reduction. According to the World Bank, 736 million people (about 10% of the world's population) live in extreme poverty (with an income below US\$1.9 a day). Almost half of the world's population - 3.4 billion people live on less than US\$5.50 a day, that is, they are relatively poor. Due to the impact of the COVID-19 pandemic, localized conflicts and climate change, an additional 88 to 115 million people are projected to end up in extreme poverty.

The President of the Republic of Uzbekistan Shavkat Mirziyoyev sets a long-term strategic goal of his policy to ensure sustainable and comprehensive economic growth, increase per capita income, reduce poverty and inequality.

It is known that the issue of poverty in our country has been a closed topic for many years. In his Address to the Oliy Majlis on 24 January 2020, the head of our state spoke openly on this issue and for the first time poverty reduction was identified as a state political task. According to preliminary calculations, the poor population in the country is 12-15 percent, or 4-5 million people.

An open statement and recognition of this problem by the President testifies to his special attention to pursuing a strong social policy, where the vital interests of the people, their needs and problems are at the forefront, as well as the readiness of the head of state to take full responsibility for their solution.

China's experience is indicative

Considering that Uzbekistan is at the initial stage of formation and development of comprehensive approaches to overcoming poverty, it is extremely important to study international experience in combating poverty, to implement best practices, methods and solutions, taking into account the specifics of the country.

In order to establish international cooperation and exchange experience in combating poverty, the head of our state calls for expanding interaction at the global level. In his speech at the 75th anniversary session of the UN General Assembly, Shavkat Mirziyoyev suggested defining the theme of combating poverty as one of the main ones, as well as organizing a Global Summit dedicated to this problem.

Within the framework of the SCO, he initiated the establishment of a mechanism for meetings of the heads of ministers and departments of the member states responsible for poverty reduction, and the development of a cooperation program to support those in need of help.

To date, the most noteworthy and revealing experience in the fight against poverty is that of China. The country is implementing the world's most ambitious poverty alleviation program, the social policy of the Chinese authorities is aimed at transitioning in the near future to a society of harmonious development and average prosperity.

The World Bank estimates that as the world's largest country in terms of population, China has done a great job of reducing poverty and achieving tangible results. In more than 40 years of reform and opening up, more than 800 million rural people have been lifted out of poverty, and the poverty rate fell from 97.5% in 1978 to 0.6% at the end of 2019, providing 70% of the global contribution to the fight poverty.

On 25 February 2021, Chinese leader Xi Jinping, speaking at a meeting dedicated to the country's achievements in eliminating poverty, said that China had won a victory in the fight against absolute poverty. 98.99 million rural residents were lifted out of poverty, 832 counties and 128 thousand villages were removed from the poor areas. Over the past eight years, China has invested US\$246 billion in poverty alleviation.

China's success in the fight against poverty was largely ensured by the provision of social support to the poor, providing them with employment and employment. For these purposes, the following were carried out: reforms in agriculture, construction of infrastructure, support for private entrepreneurship, increasing the availability of education and medical services. In all these areas, targeted measures and targeted programs were adopted, where the emphasis was on the development of rural areas.

At the same time, the practice of directing and securing employees of the central state apparatus and business representatives to poor villages, stimulating the influx of personnel into the countryside, and organizing training for the rural population has shown particular efficiency.

Taking into account the advanced experience of China in the fight against poverty, Uzbekistan aims to cooperate with Beijing in this direction. In early 2021, agreements were reached between the Ministry of Economic Development and Poverty Reduction of Uzbekistan and the China International Center for Poverty Reduction to sign an interdepartmental Memorandum of Cooperation in the fight against poverty and to adopt a plan of joint practical measures for the coming years.

Formation of an Uzbek Model for Poverty Reduction - First Steps

Having studied the experience of foreign countries, especially China, in the fight against poverty, as well as based on a huge amount of information about the difficulties of the population received through the direct dialogue with the people organized by the President through virtual receptions, the country's leadership began a large-scale systematic work to develop a policy and form its own Uzbek models in the field of poverty reduction.

Responsible state structures were established separately and special positions were created in the system

of state power. In particular, the Ministry of Economic Development and Poverty Reduction was created, the post of Deputy Prime Minister for Financial and Economic Affairs and Poverty Reduction was introduced. In the system of state authorities and local self-government, responsibilities have been distributed vertically and positions have been created responsible for reducing poverty at the level of the mahalla, district, city, region.

Active work is underway to develop a methodology for defining the concept of poverty, criteria and methods for its assessment. Together with international organizations (UN, World Bank) and leading experts, the Concept and Strategy for Poverty Reduction, the National Strategy for Social Protection of the Population for 2021-2030 are being developed. On February 17, 2021, by order of the President, the Concept of the National Strategy for Social Protection of the Population for 2021-2030 was approved, which provides for the simplification of the process of receiving social benefits. From March 2021, the minimum consumer spending of the population will be announced.

At the same time, the creation of a list of families in need - "iron notebook" ("temir daftar"), became the basis for organizing work to provide unified social support and prevent the risk of vulnerable segments of the population who found themselves below the poverty line during the pandemic.

On the basis of household visits to families, an "iron notebook" was created in each mahalla, which includes 7 categories of families in need of material assistance and support:

- 1) low-income people;
- 2) families with people with disabilities;
- 3) families in need of social protection;
- 4) lonely elderly people;
- 5) citizens who are constantly unemployed;
- 6) citizens who have been unemployed due to quarantine;
- 7) people who returned from epidemiologically disadvantaged regions.

Officials must report in their daily work on the lists of the "iron notebook" in electronic form on the site sakhovat.argos.uz. By the end of the year, at least one person should be employed in each family included in the "iron notebook".

The main essence of the formation of the "iron notebook" is that it allows: firstly, to more accurately identify those who really need help, to analyze and identify the real situation with poverty on the ground. Secondly, to systematize data on the problems and needs of the needy segments of the population.

Third, based on the analysis of problems, develop targeted measures to provide assistance to vulnerable groups of the population. These measures are reflected as clear tasks, over the implementation of which strict state control is established. Until the specific problem of each family included in the "iron notebook" is resolved, this family will not be removed from the list.

So, according to the Ministry of Economic Development and Poverty Reduction in 2020, 592,586 families were included in the "iron notebook". Of these, as a result of the measures taken, 456 659 families were subsequently withdrawn, 614 290 people were employed.

In contrast to the classical approach, when citizens themselves turn to the state for help, in the approach to the formation of the "iron notebook" the method of "social diagnosis" of the situation of the population is applied - when the state itself goes to citizens who find themselves in a difficult situation, identifies their problems, studies the reasons for them. appearance. Taking into account the interests and proposals of citizens, individual programs are developed to solve these problems.

The "iron notebook" served as the basis for the introduction in 2020 of a new mechanism for the "Unified Register of Social Protection", which contains all information about families in need and allows them to provide them with more than 30 types of social services in electronic form. This mechanism makes it possible to simplify the process of applying for social benefits for those in need (to reduce the number of certificates and supporting documents) and the system for considering these applications.

It is noteworthy that with the help of the "iron notebook" problems are not only determined, but they are also systematized. For example, there is a distribution of the list of problems that are solved at the level of the district or region, as well as a category of issues, the solution of which is ensured at the republican level.

Moreover, based on the analysis of the identified problems, specific measures are developed that are included in district and regional programs of socio-economic development. At the national level, targeted programs are being developed, such as "Obod kishlok", "Obod mahalla" and a number of others. At the same time, district and regional programs are submitted to the local Kengashes of People's Deputies, which conduct their own monitoring and periodically hear reports on them from the heads of local authorities. Thus, parliamentary and public control over the solution of these problems was established.

Thus, the "iron notebook", introduced at the initiative of the President, has already yielded great results, becoming the basis for organizing planned systematic work to provide targeted social protection through the following measures:

1) Organization of targeted social support. A new procedure for working with the most vulnerable and low-income segments of the population (women, youth, children, the elderly, the disabled) has been determined: in the context of each mahalla, the so-called "youth notebook" and "women's notebook" are formed. Particular attention is paid to young people and women in need of social, legal and psychological support, as well as seeking to acquire new knowledge and profession.

A new system of special support for children (from low-income families, orphans, disabled people) and the elderly is being created.

In 2021, it is planned to create a Public Fund to Support Children (with a budget of 100 billion soums). 50 billion soums will be allocated from the state budget to provide housing for 900 orphans. To provide assistance to the elderly on a permanent basis, the financial capabilities of the republican fund "Nuroni" will be expanded. For these purposes, the fund will be allocated 100 billion soums.

2) Providing employment for the population. In 2021, it is planned to allocate 500 billion soums from the funds for promoting employment and public works to ensure employment of the needy segments of the population. Today, among women, the unemployment rate is 15 percent, among young people - 17 percent. Therefore, the government has set a priority task to provide employment for unemployed youth and women through training them in demanded professions and entrepreneurship, followed by financial support for setting up a business.

In 2021, the creation of more than a thousand vocational training centers is envisaged in makhallas. More than 1 trillion soums will be allocated from the budget to support women's business projects and to solve the problems of women identified on the ground.

The Concept for the development of state youth policy in Uzbekistan until 2025 and a roadmap for its implementation in 2021-2022 were adopted, which provides for the allocation of grant funds for innovative, practical and promising youth start-up projects, vocational training of unemployed youth within the framework of programs "Youth: 1 + 1", as well as the introduction of the mentoring tradition under the new system.

To support the employment of the rural population, soft loans and subsidies are allocated for the development of dekhkan farms and household plots.

3) Development of modern infrastructure. Today, large-scale work is being carried out to implement targeted programs for the construction of affordable housing, the development and modernization of road transport, engineering, communication and social infrastructure, which serves to improve the living conditions of the population, both in cities and in villages.

As announced in 2020, over the next three years, 9.8 trillion soums will be allocated for the construction of roads, 4.8 trillion soums - for the laying of water supply networks, 18.2 trillion - for the construction of power grids, 1.2 trillion - for gas supply. This funding is many times more than in the last ten years. In 2021, it is planned to improve roads, water and electricity supply, irrigation networks in 33 regions that are lagging behind in development and 970 makhallas with a difficult situation.

4) Ensuring the availability of education and medicine. The strategic goal in the development of preschool education for the coming years is to create the necessary conditions for full coverage of all children, both in large cities and in remote areas, villages and auls. In 2021, it is planned to increase the coverage of preschool education to 65 percent, and by the end of 2023 - to 75 percent. In collaboration with UNICEF and the World Bank, a model of early childhood education at home for children with disabilities will be launched.

In order to provide rural schools with qualified personnel and improve the quality of education, a special program is envisaged. It provides for a 50 percent salary increase for teachers who teach in a remote school in another area, and a 100 percent salary increase for those teaching in another area.

Starting in 2021, the number of state grants for higher education will be increased by at least 25 percent. The quota of scholarships for girls from low-income families will be doubled and brought to 2 thousand.

For a wider coverage of the population with primary health care institutions, in the next 3 years, it is planned to open 315 points of family doctors and 85 family polyclinics in the republic. The list of free medical services and medicines provided by the state will be revised, and a system of guaranteed provision of them to the population will be gradually established.

Also, within the framework of the Rural Doctor program, more than a thousand doctors working in remote areas will receive financial assistance in the amount of 30 million soums and will be provided with service housing.

In general, the introduction of new mechanisms and the adoption of important measures to support the low-income strata of the population are evidence of a high degree of personal involvement of the President and government agencies at all levels in solving the problem of poverty. They show that the government is serious about improving the lives of people in every way, especially those who need support and find it difficult to get out of poverty on their own.

The measures taken to reduce poverty are systemic and long-term in nature, they are designed to obtain breakthrough positive results in the coming years, without postponing the solution of problems to the distant future. As the successful experience and results of the PRC show, the tasks and goals that Uzbekistan faces today in terms of poverty reduction are quite achievable and solvable.

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