
Strategies for Reducing Unemployment

Ashurova Jasmina Jurayevna

Student of the Samarkand Institute of Economy and Service

Mardiyev. T

Associate Professor of the Samarqand Institute of Economy and Service

Abstract: The purpose of this article is to analyze the unemployment problem in Uzbekistan and the strategies that should be implemented to reduce it. The article separately examines unemployment rates in the regions of Uzbekistan, as well as the economic situation and labor demand in the Samarkand and Bukhara regions. The main causes of unemployment are analyzed, especially such factors as the lack of qualified personnel and poor labor market development. The study shows that international experience can be used, for example, the strategies of South Korea, Kazakhstan and Turkey to combat unemployment. The article includes recommendations such as the development of innovative technologies to reduce unemployment, diversification of industries to ensure employment, adaptation of the education system to the needs of the labor market.

Key words: Unemployment, economic weakness, labor force, innovative technologies, unemployment rate, economic growth, worker retraining, labor migration and support for micro and small businesses.

Introduction

The problem of unemployment in Uzbekistan is one of the important areas of socio-economic development. In recent years, the state has taken a number of measures to create jobs and ensure employment. According to 2024 data, the unemployment rate in Uzbekistan shows a downward trend, but in some regions the problem is still relevant. For example, the labor force in 2023 was 19.7 million people, which represents an increase in the employment rate compared to previous years. However, the problem still remains high, especially among young people and women. The government pays special attention to improving the education and vocational training system, as well as supporting entrepreneurship in the fight against unemployment. International organizations, including the International Labor Organization (ILO), provide recommendations on improving the labor market.

Also, one of the main problems in reducing unemployment is employment in rural areas. Currently, the process of transition from agriculture to industry and services is slow. Therefore, the government pays great attention to the development of infrastructure and small businesses, especially in rural areas.

Thus, although Uzbekistan has made significant progress in reducing unemployment, issues such as regional inequality, improving the quality of jobs and adapting the labor force to the requirements of a modern economy remain relevant in this regard. In the coming years, reforms and investments implemented by the state will be important for further reducing unemployment and effectively managing the labor market. Unemployment not only reflects economic weakness, but can also cause social unrest, emotional stress, and family problems. The article aims to contribute to the development strategy of the country and more effective management of the labor market.

Methods and Materials

This article is based on the following methods and studies:

1. Statistical analysis:

It is studied based on statistical data provided by the State Statistics Committee of the Republic of Uzbekistan, the World Bank and the International Labor Organization (ILO). The State Statistics Committee reported that the unemployment rate in Uzbekistan in the first half of 2024 was 8.5%. At the moment, the highest rates are recorded in the regions of the Fergana Valley (10.1%) and the Republic of Karakalpakstan (11.3%). According to the ILO, the majority of unemployed in the labor market of Uzbekistan are young people, and the unemployment rate among young people is 15.2%.

2. Interregional comparative analysis:

The study separately examined the unemployment situation in the Samarkand and Bukhara regions. Using these regions as an example, regional differences in the labor market, infrastructure and economic activity were analyzed.

3. Research and ranking analysis:

The World Bank noted that one of the main obstacles to Uzbekistan's economic development is the low flexibility of the labor force in the labor market. Research conducted by the Institute of Central Asian Studies showed the need to pay special attention to the problem of youth unemployment in Uzbekistan.

Table

Region	Unemployment rate (%)	Main problem
Fergana Valley	10.1	Weak industrial infrastructure
Karakalpakstan	11.3	Creating employment in rural areas
Samarkand	9.2	Dependence on agriculture
Bukhara	7.8	Shortage in the service sector

➤ **Research and ranking analysis**

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➤ **Questionnaires and expert interviews**

Separate questionnaires: a survey was conducted among more than 500 respondents in Bukhara and Samarkand on the causes of unemployment. According to the results, respondents (65%) indicated the lack of skills as the main problem when looking for a job.

Expert interviews: Interviews were conducted with local economists and employers. They noted that the development of industry in Samarkand and the expansion of tourism infrastructure in Bukhara will help reduce unemployment.

➤ Theoretical analysis and international experience

To compare the situation in Uzbekistan with international experience, the strategies of South Korea, Kazakhstan and Turkey to combat unemployment were studied. In particular:

South Korea: Increased employment through the development of innovative technologies.

Kazakhstan: Lending and subsidy programs aimed at developing small businesses have been implemented. Türkiye has reduced youth unemployment by adapting its education system to the labor market.

Results and discussion

The analysis of the regions of Uzbekistan shows that there are differences in the level and causes of unemployment between the regions. In the Fergana Valley and the Republic of Karakalpakstan, high unemployment is associated with weak industrial development, while in Bukhara this figure is lower, but there are problems such as a shortage of skilled workers in the service sector. The results of the study provide detailed information on the level of unemployment and its main causes in different regions of Uzbekistan. The Fergana Valley and the Republic of Karakalpakstan have the highest unemployment rates - 10.1% and 11.3%, respectively. Weak industrial infrastructure and over-reliance on agriculture in these regions are called the main factors in the growth of unemployment. The unemployment rate in the Samarkand region is 9.2%, which can be seen as a result of high dependence on agriculture and low industrial development. In Bukhara region, the unemployment rate is 7.8%, which is lower than in other regions, but the lack of skilled workers in the service sector is indicated as a problem. Based on international experience, one of the main problems arising in the labor market of Uzbekistan is the high level of youth unemployment (15.2%). The need to pay more attention to the youth is more pronounced. According to the results of the questionnaire and expert interviews, the lack of skills is called the main reason for unemployment in Bukhara and Samarkand, since the majority of respondents said that their skills are not sufficient for employment. The study emphasized that some strategic measures to reduce unemployment in the country include diversification of employment sectors, adaptation of the education system to the requirements of the labor market, development of innovative technologies, and strengthening of interprovincial integration. At the same time, based on international experience, strategies to combat unemployment can be adopted from countries such as South Korea, Kazakhstan and Turkey. For example, South Korea has increased employment through the development of innovative technologies, and Kazakhstan has implemented lending and subsidy programs aimed at developing small businesses. Turkey has adapted its education system to the labor market and managed to reduce youth unemployment. Therefore, in order to more effectively manage the labor market in Uzbekistan and reduce unemployment, it is necessary to expand innovative technologies, education and training programs, and develop interregional cooperation. The results of the study will also help make proposals to increase the economic potential of Uzbekistan and reduce unemployment.

Conclusions and recommendations

The measures taken to reduce unemployment in Uzbekistan have yielded a number of positive results, but problems still exist. To reduce unemployment, it is necessary to implement the following key measures:

Development of education and training: The vocational training system is of great importance in the labor market. The Government of Uzbekistan should adapt the education system to modern economic requirements, including training in vocational colleges, and increase the number of programs that help young people and women improve their professional skills.

Development of small and medium-sized businesses: To create jobs in the regions, it is necessary to stimulate the development of small and medium-sized businesses. To do this, the state should provide investments and loans to support small businesses, as well as organize educational programs for the development of entrepreneurship.

Attracting investments: To reduce unemployment in the regions, it is necessary to attract investments in economic infrastructure, industry, and services. In particular, it is important to develop new industries in rural areas, as well as expand the tourism and services sector.

International experience and cooperation: In cooperation with organizations such as the International Labor Organization (ILO), it is necessary to study the experience of other countries in combating unemployment and implement it in Uzbekistan. It is necessary to study effective strategies for reducing unemployment in countries such as South Korea, Kazakhstan and Turkey and, using them, develop proposals based on specific conditions.

Introduction of innovative technologies. New jobs can be created through the development of start-ups related to new technologies and the digital economy. The development of digital technologies can be one of the effective ways to reduce unemployment, especially in developing regions such as Samarkand.

Thus, it is expected that the implemented and future measures to reduce unemployment in Uzbekistan will have a positive impact on the economic development of the country and will help the labor market to function effectively. At the same time, special attention should be paid to comprehensive state policies, education, training and innovation development.

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