



## THE IMPACT OF SMALL BUSINESS ON THE WELFARE OF THE POPULATION OF UZBEKISTAN: ANALYSIS, PROSPECTS AND DEVELOPMENT PATHS

Ermatov Akmaljon Adhamovich,

PhD in Economics, Associate Professor of the Department of Information Technologies, Andijan Mechanical Engineering Institute, Andijan, Uzbekistan

### Abstract

The article examines key aspects of the welfare of the population of Uzbekistan, including economic growth, social programs and the standard of living of citizens. The dynamics of key macroeconomic indicators, such as GDP, inflation, unemployment and investment activity are analyzed. The importance of state reforms and their impact on the socio-economic development of the country are emphasized. The article also offers recommendations for further improving the welfare of the population through infrastructure modernization, entrepreneurship development and investment in human capital.

**Keywords.** Welfare of the population, economy of Uzbekistan, GDP, social reforms, standard of living, investments, inflation, unemployment, economic development, social programs.

### Introduction

The well-being of the people is the most important indicator of the socio-economic development of the country. In recent years, Uzbekistan has been implementing a number of reforms aimed at raising the standard of living of the population, improving working conditions and social security. In this article, we will consider the main aspects of the well-being of citizens of Uzbekistan, assess the current economic indicators and suggest possible ways to improve it.

The relevance of the study is due to the need for an objective analysis of the standard of living of the population, as well as the search for effective mechanisms to improve it. In the context of global challenges and economic transformation, Uzbekistan is faced with new opportunities and difficulties that require a systematic approach to improving the social and economic living conditions of citizens. The study of this issue will identify the key factors contributing to the growth of well-being, as well as determine the directions for further development.





## Status of the Topic

Eraliyev A.A. did not publish works directly devoted to the well-being of the people. However, he wrote about motivational factors in the production sector and the economic efficiency of enterprises [6], as well as about the management structure and its impact on the economy [7]. These topics are indirectly related to well-being, since effective management and employee motivation can contribute to economic growth and improve the standard of living of the population.

The research methodology includes the analysis of statistical data, a review of state programs and strategies for socio-economic development, as well as a comparative analysis of the experience of other countries. Official data of the State Statistics Committee, reports of international organizations and studies of independent analytical centers are used as sources of information. This approach allows for an objective and comprehensive assessment of the level of well-being of the population. Uzbekistan's economic indicators in recent years demonstrate steady GDP growth, an increase in average wages, the development of private entrepreneurship and the influx of foreign investment. According to statistics, the poverty level in the country is decreasing, and social support programs are becoming more accessible. At the same time, problems related to regional disparities, the availability of quality education and medical services, as well as inflation, which affects the purchasing power of the population, remain.

In 2024, the GDP growth rate was 6.5%, which demonstrates stable economic development. The average wage level increased, and the unemployment rate decreased to 6.8%. Inflation remains a significant factor affecting the purchasing power of the population, reaching 10.1% in April 2024 [1].

Foreign direct investment and loans increased by 56.2%, amounting to \$14.2 billion. Total investment reached \$30 billion, an increase of 21% compared to the previous year.

The forecast for 2025 assumes continued positive dynamics. GDP growth is expected to be 6.5%, and the inflation rate will stabilize. State social support programs continue to expand, which helps reduce poverty and improve the quality of life of the population [2].

Uzbekistan's economic indicators have demonstrated steady growth in recent years. In 2023, the country's GDP increased by 6.0%, and the forecast for 2024 is 5.8%. Average wages are also growing, and investment volumes reached \$30 billion, up 21% from the previous year. Foreign direct investment and loans grew by 56.2%, reaching \$14.2 billion [3].





According to statistics, poverty levels in the country are declining, and social support programs are becoming more accessible. However, problems remain related to regional disparities, access to quality education and health care. Inflation remains a significant factor influencing the purchasing power of the population, reaching 10.1% in April 2025

### 1-Table Main economic indicators

| Nº | Indicator                    | Value            | Date          |
|----|------------------------------|------------------|---------------|
| 1. | GDP growth rate              | 5.8              | 2024          |
| 2. | GDP growth forecast          | 6.8              | 2025          |
| 3. | Investment volume            | \$30 billion     | 2024          |
| 4. | Growth of foreign investment | 56.2%            | 2024          |
| 5. | Inflation rate               | 10.1%            | April 2025    |
| 6. | Unemployment rate            | 6.9%             | December 2023 |
| 7. | Trade balance                | -\$1,560 million | February 2025 |

Small business is an important factor in the economic development of Uzbekistan, exerting a significant impact on increasing the well-being of the population. Despite positive changes in the economic sphere, further development of the country requires eliminating regional imbalances and increasing the availability of social services.

To ensure sustainable growth of small and medium-sized enterprises (SMEs), it is necessary to strengthen government support measures, including infrastructure development, simplification of tax regulations and creation of favorable conditions for entrepreneurs. Improving the education and healthcare systems also plays a key role, since qualified personnel and affordable medical services contribute to the development of the private sector.

Research shows that small business development is closely related to the economic well-being of the country. State policy aimed at supporting entrepreneurs, expanding their opportunities in foreign markets and introducing innovative technologies contributes to the creation of a sustainable economic environment. In addition, digitalization of business processes allows small businesses to more actively integrate into international trade, expanding the country's export potential.

Thus, an integrated approach, including support for small businesses, investment in human capital and effective social policy, will form the basis for further economic growth of Uzbekistan. With a consistent strategy and government initiatives, small businesses will be able to strengthen their position, promoting entrepreneurship and creating favorable conditions for future generations.





Further improvement of the well-being of the population will require a comprehensive approach. This includes strengthening social policy, investing in human capital, modernizing the production sector and expanding international cooperation. Government initiatives should be aimed at ensuring a fair distribution of economic benefits, improving living conditions and creating opportunities for the professional development of citizens.

Thus, the successful development of the economy and social programs will ensure further growth in the well-being of the population of Uzbekistan, creating a solid foundation for a stable future for the country.

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