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**REGIONAL FEATURES OF FORMATION AND DEVELOPMENT
OF THE LABOR MARKET IN UZBEKISTAN**

Abstract. After Uzbekistan gained independence, a legal framework was created that reflects market relations, which are currently used in various industries. A similar legal framework has also been developed for the market. This law promotes the civilized development and implementation of the labor market.

Keywords: market relations, labor market, modern market relations, labor law, labor force.

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**РЕГИОНАЛЬНЫЕ ОСОБЕННОСТИ ФОРМИРОВАНИЯ И РАЗВИТИЯ
РЫНКА ТРУДА УЗБЕКИСТАНЕ**

Аннотация. После обретения Узбекистаном независимости была создана правовая база, отражающая рыночные отношения, которые в настоящее время используются в различных отраслях. Аналогичная правовая база также разработана на рынке. Этот закон служит цивилизованному развитию и реализации рынка труда.

Ключевые слова: рыночное отношение, рынок труда, современное рыночное отношение, трудовое право, рабочая сила.

Introduction. The transition to a market economy creates a situation of macroeconomic instability at the societal level, affecting the well-being of the population and all sectors of the economy. This situation creates major macroeconomic challenges that are important and essential to the country's sustainability. The solution to these challenges depends on an active labor market,

encompassing the employment system, which addresses macro-scale issues such as unemployment, employment security, and job creation.

Literature review. Foreign scholars, scholars from the CIS countries, and our Republic have conducted a number of studies on labor market development and employment issues. Adam Smith developed the theoretical foundations of the labor market in a market economy, and D. Ricardo and P. Samuelson explored its problems and solutions. Internationally, scholarly schools, theoretical views, and conceptual approaches have been advanced in studying this topic. Proponents of the classical school of labor market theory and Ricardo's approach—D., J. S. Mill, and A. Marshall—developed the fundamental principles of classical labor market theory. Proponents of the new classical labor market theory—J. Perry, M. Feldstein, and R. Hall—argued that the price of labor regulates the labor market.[1]

Keynes, J., and Gordon, R., advocates of Keynesian economics, emphasized that the labor market would be in a constant and unbalanced state. Proponents of the latter approach, i.e., the monetarist theory of the labor market, developed monetary methods for regulating the labor market. Among them are Friedman, M., Cagan, F., Meiselman, D., Brunner, K., and Meltzer, A. (See also: "The New Classical Theory of the Labor Market"). Proponents of the new classical theory of the labor market, Perry, J., Feldstein, M., and Hall, R., argued that the price of labor is the regulator of the labor market. Keynes, J., and Gordon, R., advocated that the labor market would be in a constant and unbalanced state.[2]

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Analysis and Results. Uzbekistan's current development and progress since independence, as well as the further development of sustainable market relations, depend, first and foremost, on addressing labor market challenges. Thus, the current state labor market policy is based on the following employment and population priorities:

- shaping the labor market by creating a market economy based on multi-farm and diverse ownership;
- implementing programs for the structural restructuring of production using state and non-state funds and the corresponding distribution of labor resources;
- regulating labor supply and demand through economic and legal means;
- developing special measures to ensure social protection for the unemployed and segments of the population that are not competitive in the labor market (unemployed youth, women with children, the disabled, etc.);
- improving the quality of the labor force (improving the system of vocational training, retraining, and advanced training), developing economic activity, supporting entrepreneurship and small businesses, etc.

It should be noted that until recent years, labor in Uzbekistan was not considered a commodity. However, in reality, which doesn't always correspond to the tenets of economic theory, millions of people in the country enter into employment relationships.

The majority of Uzbekistan's labor force (over 60 percent) resides in the rural labor market. According to current estimates, the country's labor market is classified as an active labor market [3], as approximately four-fifths of the workforce is employed.

Another characteristic of the country's labor market is that, by international standards, it is one of the young labor markets.[4]

Our republic's labor market is also underbalanced. Labor shortages exist across all sectors (i.e., regional, professional, skilled, industry-specific, and demographic). Despite high employment in most regions (the Fergana Valley, Kashkadarya, and others), additional labor demand exceeds supply by four to five times in Tashkent and the Tashkent region, which are major centers of industrial production.

Furthermore, Uzbekistan's labor market is becoming more democratic thanks to our country's specific economic policies. Our republic's labor market and its

structurally active component can be characterized by a labor force of 22,714,600 (22,714,600) people. As of June 2022, 20,305,300 people were economically active.[5]

Considering the vital interests of all members of society, increasing attention to the lives of low-income citizens, and upholding the requirements of fairness in the distribution of the benefits of social production, the choice of social policies is crucial. The process of labor market regulation and the principles of labor market regulation determine the methods of implementation. Therefore, when developing a labor market regulation strategy, the following principles should be considered: [6]

- First and foremost, it is necessary to subordinate all processes to the requirements of progressive development of society and the economy, foster positive change, and prioritize measures that ensure socio-political stability in society.

- Secondly, it is necessary to focus on the development of an "active society" in which economic opportunities are created and the participation of every citizen in building a democratic and legal society is encouraged.

- Thirdly, an "active society" must be accompanied by a corresponding active labor market policy based on the principle of equal opportunity. Its primary goal is to eliminate or minimize inequalities in employment acquisition and retention, which may be caused by disabilities, family circumstances, lack of skills, and other factors.

Conclusions and proposals. The state's active participation in shaping the labor market through national regulation demonstrates that state intervention in labor relations and the implementation of state labor policy are appropriate. The state influences labor market development primarily through the development and improvement of labor legislation. Overall, the future prospects for regional labor market development are based only on assumptions, and their forecast can be determined based on labor market factors, indicating the existence of

unemployment in the employment structure of the Republic of Uzbekistan. Therefore, identifying prospects for labor market activity and development and developing strategic directions allows for the early identification of labor market problems and ways to address them. This will contribute to improving the labor market situation.

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