THE IMPACT OF THE UNEMPLOYMENT RATE ON THE NATIONAL ECONOMY

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Abstract: The main causes of unemployment in Uzbekistan. Recommendations regarding the measures taken to reduce the level of unemployment to date. Further improvement of the activities of the employment support organization. The development of the economy is directly dependent on the population of the country, the extent to which the population is provided with work. The need to develop entrepreneurship, create job vacancies, provide employment to the population, and use vacant land effectively.

Key words: Unemployment, Employment Assistance Organization, personnel issues, entrepreneurship, vacancies.

Аннотация: Основные причины безработицы в Узбекистане. Рекомендации по мерам, принимаемым для снижения безработицы. Дальнейшее совершенствование деятельности организации поддержки занятости. Экономическое развитие находится в прямой зависимости от численности населения страны и уровня обеспечения занятости населения. Необходимость развития предпринимательства, создания вакантных рабочих мест, обеспечения занятости населения, эффективного использования пустующих земель.

Ключевые слова: безработица, организация содействия трудоустройству, кадровые вопросы, предпринимательство, вакансии.

Unemployment means that a part of the economically active population cannot find a suitable job and becomes a labor reserve. In Uzbekistan, the concept of unemployment officially became normative with the adoption of the 1992 Law "On Employment of the Population" (a new version of this law was adopted on May 1, 1998).

As the cause of unemployment is different, its forms are also different. The main forms of unemployment: frictional unemployment - temporary unemployment for various reasons (moving to a new place of residence, changing profession, raising a child, choosing a new job). This is voluntary unemployment. Structural

unemployment occurs when people who worked in old industries have not mastered the skills needed for new industries in the conditions of a changed production structure. Cyclic unemployment is unemployment associated with economic stress and resulting from a decline in production. This is forced unemployment. *Seasonal unemployment* is the unemployment of those employed seasonally after the season ends. Disguised unemployment is only part-time work of those officially employed. It includes those who have switched to a reduced working day or working week, those who have taken unpaid leave due to lack of work. The main goal of studying the problem of unemployment in the economy is to develop measures related to the expansion of the production of the country (enterprises) and the further improvement of the standard of living of the population by improving the employment of the population.

Reasons for unemployment in Uzbekistan: low salary or good employee? Such a situation can be observed in Uzbekistan - at first glance, the unemployment rate is high, but at the same time, most organizations are looking for good employees. What kind of person is considered unemployed? Unemployment is the inability of economically active citizens who have the ability to work and express their desire to work to find a job. Unemployment creates the basis for many problems - crime increases, family turmoil occurs, children's education is disturbed. Unemployment reaching a certain level can even cause the decline of statehood. That is, a vicious circle appears here: an increase in the number of unemployed makes the state weak, and in a weak state, the number of unemployed increases even more. But there is no country in the world, whether developed or developing, that does not have a problem with unemployment. We are more interested in our own situation. According to official data in Uzbekistan, about 10 percent of the working population is unemployed. Recognizing that unemployment is a serious problem and that it is necessary to fight against it, today we will approach the issue from the other side. Today, most organizations, especially non-governmental companies, are looking for good employees and regularly post job vacancies. Even in the state system, which is the largest employer, there are only a few vacancies. Unfortunately, too many young people, that is, those who are constantly filling the labor market, lose both their valuable time and good opportunities with practically impossible demands. Because no one will wait for a young specialist with a salary of 10 million soums just because he has a diploma or because he is unemployed. An applicant for any job and salary should be able to present himself from the lowest level, if necessary, and this is even a requirement. Why? Because difficulties make a person, he acquires the necessary skills related to the specialist field, he realizes what he did not feel until now when

he was under the care of his parents - money is not easy to find. The most important thing is that over time, the experience will gradually increase.

A specialist with real knowledge and potential who worked with Sabot will find his place in any organization. Naturally, salaries will also increase, no one wants to let go of such an employee. In time, the position will be promoted, a large income will be found, and good offers will start coming from other places. What is the situation today? Uzbekistan is a country where the population is increasing rapidly, and every year an average of 700,000 young people enter the labor market. Of course, it is impossible to employ all of them. But at least what prevents the filling of vacancies? It should also be mentioned that in 2023, a significant increase was observed in the reduction of unemployment in our country. It is noted that by the end of 2023, the unemployment rate in the country will be 6.8 %, which has decreased by 2.1% compared to the corresponding period of the previous year. At the beginning of the year, the number of unemployed people in Uzbekistan was 1.3 million, and this year another 2.4 million people will enter the labor market . 5 million people are expected to be employed in 2024. He also commissioned the introduction of a unified reporting system for business entities. The main goal of every country is to improve the living conditions of the population and reduce poverty. We do not deny that the necessary measures are being taken for this, but not all of the work being done is yielding the expected results. Loans are being allocated for the purpose of business development, but problem loans are increasing day by day due to the fact that the given funds are not used effectively. What is the reason for this, because many loans are being taken for other purposes and are being diverted to other expenses, and commercial banks are suffering from this. It is necessary to strengthen control over lending, it is necessary to check whether the amount allocated to the entrepreneur (animals, equipment, etc.) is effectively used, whether the business activity is being carried out. The words of our President, "If the population is rich, the state will be rich" are not in vain. If the population is adequately provided with work, the number of jobs will increase, poverty will decrease, the lifestyle of the population will improve, which means that the state's economy is developing. As far as possible, it is necessary to try to put an end to our population working abroad as migrants to provide employment in our country. Because it is no secret to anyone that international political conflicts are escalating. As the President noted, "One unemployed person means ten problems". We must take necessary measures to ensure employment and reduce unemployment in Uzbekistan. Unemployment is such a bad disease that it can be a factor that hinders the development of a country. If we calculate it according to A. Oaken's law: if the real unemployment rate rises by 1% from the natural level, the Gross Domestic

Product (GDP) will fall behind by 2.5 %. This means that the country's economy will decline instead of developing. But with the development of the market economy, the natural rate of unemployment rises. In Western countries, the natural rate of unemployment in the 70s and 80s was 3-4%, and today it is 5-6%. In Russia, these indicators are difficult to determine due to the lack of stable low inflation and high hidden unemployment. The higher the unemployment rate, the poorer the country. Most areas go backwards, development decreases. It follows that unemployment can have a number of negative consequences. To conclude from the above information, unemployment has a great impact on the state economy. A number of factors, in particular, the net income of the population, its saturation, GDP growth or decline, the country's development, etc., have an impact not only on the economic but also on the social side.

In this regard, we have several proposals: - Development and popularization of "Home work programs"1 to provide employment to women; - Development of small business and private entrepreneurship, creating opportunities for the population; - Widespread production of hand-made products among the population, increase its value and create opportunities for the population; - Maximize employment of graduates, or create an opportunity for them to do something in their field; - Targeted youth support.

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