

CONTENT, TYPES AND SOURCES OF POPULATION INCOME

Urunbayeva Yulduz Pirnazarovna

Samarkand Institute of Economics and Service,
Associate Professor of the Department of “Economic Theory”

Amriyev Ozodbek Khusnidinovich

Student of the Faculty of Economics,
Samarkand Institute of Economics and Service.

E-mail: ozod25122006@gmail.com**Abdusharipov Khamrobek Khushnudovich**

Student of the Faculty of Economics,
Samarkand Institute of Economics and Service.

E-mail: xamrobekabdusharipov07@gmail.com

Abstract. The article analyzes the incomes of the population, their formation mechanisms, main sources, and their relationship with socio-economic development. The manifestations of income in labor, entrepreneurship, property, social transfers, and in-kind forms are highlighted, and their economic content and impact on the well-being of society are revealed. Also, the current problems in the labor market of Uzbekistan, shortcomings in the employment system, regional differences in population incomes, and the dynamics of per capita income growth in 2020–2024 are analyzed based on facts. The article provides scientific and practical proposals for improving the living standards of the population, diversifying the income structure, and improving the state's social policy.

Keywords: Income of the population, sources of income, labor market, social transfers, entrepreneurial income, property income, natural income, social policy, employment, economic well-being, per capita income, macroeconomic stability.

Introduction. Income of the population is one of the main indicators of the country's macroeconomic stability, level of social well-being and economic development. The amount and composition of income determine the consumption capabilities of the population, savings potential, social stratification processes and activity in the labor market. In the modern economic system, income is formed not only as a result of labor activity, but also through the use of capital, property management, entrepreneurial activity and social support measures

provided by the state. Therefore, an in-depth study of the sources of income of the population is of great importance in determining effective directions of social policy.

In the conditions of Uzbekistan, increasing the income of the population, ensuring consumption stability, supporting socially vulnerable groups and achieving growth in real incomes are among the priority tasks of the state economic strategy. As market relations deepen, the structure of incomes is also diversifying. This requires a systematic analysis of the content of the population's incomes, reassessment of the state's social policy and its optimization in accordance with modern requirements. The Resolution of the President of the Republic of Uzbekistan "On measures to improve and increase the effectiveness of work on ensuring employment of the population" establishes measures to implement annually approved programs to ensure employment of the population in the republic, improve mechanisms for placement in vacant and quota jobs, and develop effective forms of self-employment.

Although a number of regulatory and legal acts have been adopted to increase the work activity of the population¹, support entrepreneurial initiatives, and ensure employment of groups in need of social protection, tensions in regional labor markets still remain significant. Existing problems in creating permanent jobs, providing youth, women, and representatives of low-income families with stable employment, especially in rural areas, and regulating the processes of external labor migration have not been fully eliminated. At the same time, the quality and coverage of credit, financial, and advisory services provided to the population and entrepreneurs in the employment system remain low. Another important problem of the labor market is that the process of training personnel for production is not organized in accordance with the real and prospective requirements of the economic sectors, as a result of which there is a shortage of qualified specialists in some areas.

Literature Review

Markus Brueckner, Hannes Schwandt in their article "Income and Population Growth"² assess the impact of exogenous and non-technological shocks to national income on population growth. For a panel of more than 139 countries over the period 1960–2007, we correlate changes in international oil prices with the average share of net oil exports in countries' GDP.

¹ Resolution of the President of the Republic of Uzbekistan "On measures to improve and increase the efficiency of work to ensure employment of the population", No. PQ-3856 dated 14.07.2018 <https://lex.uz/docs/-3824637>

² Markus Brueckner, Hannes Schwandt "Income and Population Growth" The Economic Journal, Volume 125, Issue 589, 1 December 2015, Pages 1653–1676, Published: 01 September 2014 <https://doi.org/10.1111/eoj.12152>

Controlling for country and time effects, we find that this indicator of income growth in oil prices is positively correlated with population growth. Scientists have calculated that a 1% increase in GDP per capita over 10 years increases the population growth rate of countries by approximately 0.1 percentage points. In addition, we note that this population effect is due to a positive effect on fertility and a negative effect on infant and child mortality.

Bakhrom Botirovich Nurullayev in the article "Issues of increasing the income and standard of living of the population in the region"³ describes the indicators of the standard of living of the population in our country, the quality of life index, income and its types, population income and its analysis by region, as well as the author's personal views on this issue. "The standard of living of the population is the sum of living conditions corresponding to the level of economic development of the country. Its main indicators are: the level of income of the population; human development index; quality of life; quality of life index."

Toshtemirov Sh. In the article "Population income, their sources and characteristics of change", the priority goals of reducing poverty by increasing population incomes in the development of the fundamentals of the economy are considered. The goals of the new Uzbekistan in the development of the economy are also aimed at increasing the level of consumption of the population by increasing their incomes. In recent years, in order to increase the incomes of the population and increase their opportunities for additional income, large-scale reforms have been implemented to provide them with various economic and financial benefits, to direct them to a profession and improve their skills⁴.

In the article "Some Current Issues in Increasing the Income and Well-being of the Population" by Kh.Kh. Yakhshimuratova, indicators of the standard of living of the population in the Republic of Uzbekistan, the quality of life index, population income and regional analysis are presented, as well as the author's perspective on the activities of the sector⁵.

Results and analysis

"Population income is an economic indicator that represents the sum of citizens' incomes in cash, the values they receive in the form of natural products, and free services provided to them. This concept also reflects the population's share in the process of creating

³ Bakhrom Botirovich Nurullayev in the article "Issues of increasing the income and standard of living of the population in the region" tekst nauchnoy stati po spetsialnosti "Nauki o Zemle i smezhnye ekologicheskie nauki"

⁴ [4]. Toshtemirov Sh. "Population incomes, their sources and characteristics of change" Proceedings of International Conference on Scientific Research in Natural and Social Sciences Hosted online from Toronto, Canada. Date: 5 th December, 2024 ISSN: 2835-5326 <file:///C:/Users/User/Downloads/24.pdf>

⁵ <https://cyberleninka.ru/article/n/arim-dolzarb-masalalari>

national income. The total income of the population is formed from various sources⁶. These include wages and equivalent payments, pensions, scholarships, allowances, awards, profits from entrepreneurial activities, dividends from shares, loan and lottery winnings, interest accrued on bank deposits, rent payments from renting real estate, coverage paid by insurance companies, and other economic revenues.” In an economic system dominated by market relations, income in the form of money prevails in the structure of the population's income. At the same time, the consumption of products from household farms by the population, especially in rural areas, is an important source of income in kind. Also, products distributed free of charge by state and non-governmental organizations to groups in need of social protection, as well as the free provision of food, clothing, medicines, transport or utility services, are included in the category of income in kind. This type of income plays an important role in increasing the level of social support of the population⁷. In our opinion, income of the population is the sum of money and in-kind income received by citizens from labor, entrepreneurship, property, social transfers and other economic activities. Their main content is to determine the economic capabilities, consumption level and quality of life of the population. Income analysis identifies differences in the standard of living of the population, social inequality, regional differences, and changes in the labor market. Income of the population is divided into the following main groups according to its economic content:

Income from labor Wages, bonuses, additional payments, business travel expenses, compensations and other payments equivalent to labor.

Income from entrepreneurial activity Profit from entrepreneurial activity, income from individual activities, income from services, net commercial income.

Income from property Dividends, interest, rent, royalties, payments on bonds and other income formed as a result of the use of capital.

Social transfers Pensions, benefits, scholarships, material assistance, subsidies, compensations and other social payments provided by the state.

Mixed income Income received by households from their activities, which is a mixture of labor and capital income.

⁶ https://uz.wikipedia.org/wiki/Population_income

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https://stat.uz/uz/?preview=1&option=com_dropfiles&format=&task=frontfile.download&catid=469&id=3691&Itemid=100000000000

Natural income Agricultural products, the use of products produced by households, payments in kind received from enterprises.

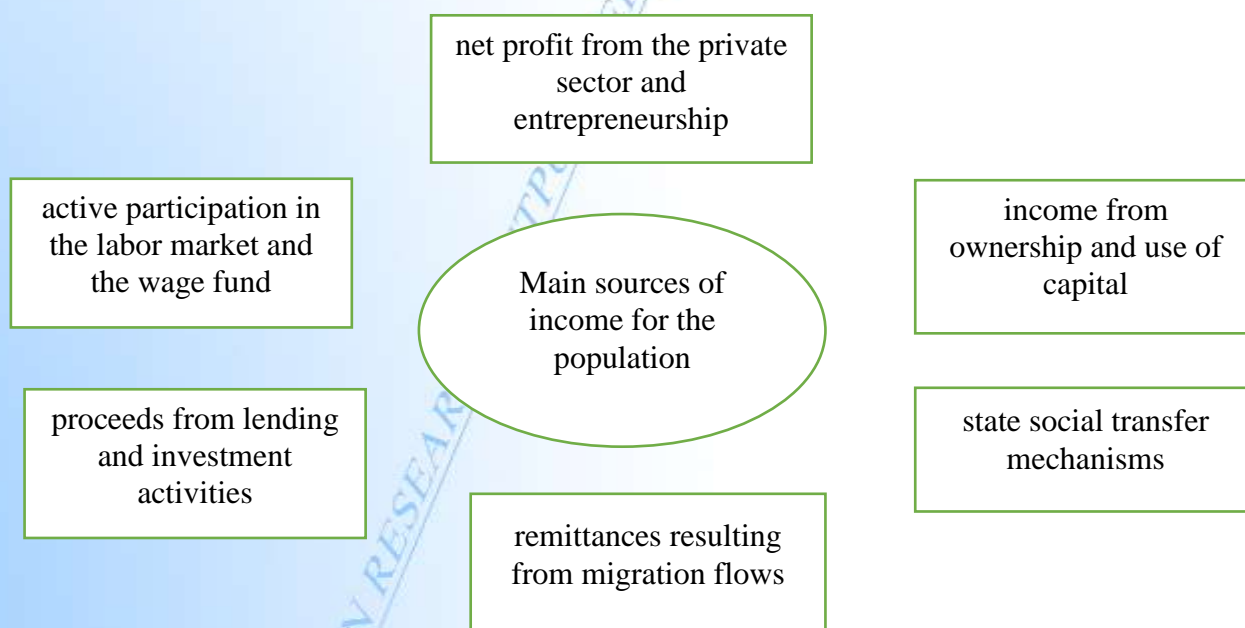


Figure 1. Sources of income formation of the population.

Labor income is structurally dominant in the economy of Uzbekistan, and its share constitutes the main part of total income. At the same time, in recent years, income from entrepreneurial activities and capital gains have also shown steady growth.

“Total income of the population consists of cash and in-kind incomes that are permanent or recurring, and that fall to a household or its individual members over a period of one year or less. The total income of the total population, families, and individuals is important in expressing the well-being of the population.”⁸

According to preliminary data, as of January-December 2020, total income per capita amounted to 12.6 million soums, and by 2024 this figure had almost doubled.

⁸ Urumbayeva Yulduz Pirnazarovna "Museum tourism services in an innovative economy" <https://cajitmf.centralasianstudies.org/index.php/CAJITMF/article/view/776>



Figure 1. Total per capita income in the Republic of Uzbekistan in January-December 2020-2024 (thousand soums)

According to the graphic data, during 2020-2024, total per capita income in the Republic of Uzbekistan showed a steady growth trend. The figure of 12,595.9 thousand soums in 2020 indicates the relative resilience of the economic system despite the pandemic conditions. In 2021, this figure reached 15,421.7 thousand soums, a significant increase of approximately 22.4 percent compared to 2020. During this period, the recovery of economic activity, the revival of the labor market, and an increase in the volume of subsidies and transfers led to an increase in income.

In 2022, per capita income amounted to 18,373.9 thousand soums, and the growth dynamics continued. This year, the expansion of the service sector, the increase in small business activity, and the indexation of wages in line with price increases served to increase total income. In 2023, the indicator reached 20,764.5 thousand soums, and the growth rate was maintained. During this period, structural reforms in the economy deepened, the number of employees increased, and the employment rate in the formal sector increased. In 2024, total income per capita reached 24,111.9 thousand soums, showing the highest result of the years under analysis. The growth this year indicates that the economy has moved from the recovery stage to the stage of sustainable development, the real sector has expanded, and the income of the population has increased not only in nominal but also in real terms. In general, in 2020-

2024, per capita income increased by almost two times, which indicates the strengthening of macroeconomic stability⁹.

Conclusions and recommendations

The analysis of population income shows that total income of the population is one of the main indicators of economic development, and its structural changes are directly related to the labor market, the production sector, the business environment, and the social policy of the state. In recent years, Uzbekistan has been experiencing a steady increase in per capita income, which is explained by economic activity, an expansion of the wage fund, and improved social support mechanisms. However, imbalances in the employment system, a shortage of qualified personnel, a lack of stable jobs in rural areas, and insufficient development of financial and advisory services for business entities are the reasons for the persistence of income inequality. In order to increase the income of the population, it is necessary to diversify sources of income, modernize the labor market, and strengthen the social protection system.

The following proposals provide for further improvement in these areas:

First, create a system of personnel training that meets the needs of the labor market, that is, adapt training programs in specialties to the requirements of the real sector;

Second, increase the number of stable jobs in rural areas, especially expanding small-scale production and service projects that provide employment for women and youth;

Third, strengthen the targeting of social transfers, clearly identify the groups in need of assistance, and support them through a digital system.

Fourth, develop incentive programs to effectively use migration income, direct remittances from citizens working abroad to investment activities;

Fifth, reduce income disparities across regions, support regions with low economic activity with additional infrastructure and investment;

Sixth, introduce a monitoring system to assess the effectiveness of social policy, using international methodologies and modern statistical approaches;

List of used literature

⁹ Urunbayeva Yulduz Pirnazarovna "Development of museum tourism is the main factor in increasing the well-being of the population" *SERVIS*, scientific and practical journal, Samarkand, 2024, issue 2\1, p. 107-111 (08.00.00; №20)

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