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POVERTY AND DEVELOPMENT

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Abstract: This article provides a comprehensive analysis of poverty and its multidimensional aspects, including poverty reduction strategies, access to education and healthcare, economic development, social protection, and the empowerment of women and marginalized groups. The study also explores the interconnections between sustainable development and international cooperation as key drivers of social and economic progress. Using comparative and analytical methods, the research identifies the main factors influencing poverty dynamics and highlights the importance of education, employment creation, and inclusive policies in achieving long-term development goals. The findings emphasize that effective poverty alleviation requires integrated approaches combining human capital development, social protection mechanisms, and cross-sectoral collaboration. Practical recommendations are proposed to enhance national policies aimed at reducing poverty and promoting equitable growth.

Key words: poverty, poverty reduction, education, healthcare, economic growth, social protection, gender equality, human capital, sustainable development, cooperation.

Annotatsiya: Ushbu maqolada qashshoqlik va uning ko'p qirrali jihatlari, jumladan, qashshoqlikni kamaytirish strategiyalari, ta'lim va sog'liqni saqlash xizmatlaridan foydalanish imkoniyati, iqtisodiy rivojlanish, ijtimoiy himoya, ayollar va chetga surilgan guruhlarining huquq va imkoniyatlarini kengaytirish kabi masalalar keng qamrovli tahlil qilingan. Tadqiqotda shuningdek, ijtimoiy va iqtisodiy taraqqiyotning asosiy omili sifatida barqaror rivojlanish va xalqaro hamkorlik o'rtasidagi o'zaro bog'liqlik o'rganiladi. Qiyosiy va analitik usullardan foydalangan holda, tadqiqot qashshoqlik dinamikasiga ta'sir qiluvchi asosiy omillarni aniqlaydi va uzoq muddatli rivojlanish maqsadlariga erishishda ta'lim, bandlik yaratish va inklyuziv siyosatning ahamiyatini ta'kidlaydi. Tadqiqot natijalari shuni ta'kidlaydiki, qashshoqlikni samarali kamaytirish inson kapitalini rivojlantirish, ijtimoiy himoya mexanizmlari va tarmoqlararo hamkorlikni birlashtirgan integratsiyalashgan yondashuvlarni talab qiladi. Qashshoqlikni kamaytirish va teng o'sishni rag'batlantirishga qaratilgan milliy siyosatni takomillashtirish bo'yicha amaliy tavsiyalar taklif etiladi.

Kalit so'zlar: qashshoqlik, qashshoqlikni kamaytirish, ta'lim, sog'liqni saqlash, iqtisodiy o'sish, ijtimoiy himoya, gender tengligi, inson kapitali, barqaror rivojlanish, hamkorlik.

Аннотация: В данной статье представлен всесторонний анализ бедности и ее многомерных аспектов, включая стратегии сокращения бедности, доступ к образованию и здравоохранению, экономическое развитие, социальную защиту и расширение прав и возможностей женщин и маргинализированных групп. В исследовании также рассматривается взаимосвязь между устойчивым развитием и международным сотрудничеством как ключевыми факторами социально-экономического прогресса. Используя сравнительные и аналитические методы, исследование выявляет основные факторы, влияющие на динамику бедности, и подчеркивает важность образования, создания рабочих мест и инклюзивной политики для достижения долгосрочных целей развития. Результаты исследования подчеркивают, что эффективное сокращение бедности требует комплексных подходов, сочетающих развитие человеческого капитала, механизмы социальной защиты и межсекторальное сотрудничество. Предлагаются практические рекомендации по совершенствованию национальной политики, направленной на сокращение бедности и содействие справедливому росту.

Ключевые слова: бедность, сокращение бедности, образование, здравоохранение, экономический рост, социальная защита, гендерное равенство, человеческий капитал, устойчивое развитие, сотрудничество.

INTRODUCTION

Cooperation in poverty reduction represents one of the most effective instruments for achieving inclusive and sustainable socio-economic development. Its fundamental significance lies in the capacity to consolidate financial, technical, and material resources toward the realization of shared development objectives. Through coordinated collaboration, stakeholders can ensure the rational and efficient allocation of available resources, minimize duplication of efforts, and maximize long-term social and economic returns. Such an integrative

approach not only strengthens institutional capacities but also ensures a comprehensive and sustainable impact in addressing poverty across different levels of society.

The principle of interdependence and mutual benefit is central to the effectiveness of cooperative efforts. Poverty alleviation, by its very nature, serves the collective interests of all participants, as it directly contributes to social stability, economic growth, and political security. At the intergovernmental and international levels, cooperation enhances the alignment of national strategies with global development agendas, enabling joint policymaking and resource mobilization. International organizations, national governments, and civil society institutions play a synergistic role in formulating and implementing multidimensional solutions aimed at eradicating poverty on both national and global scales.

Furthermore, improving the socio-economic conditions and welfare of a single nation positively influences the overall stability and resilience of the global economic system. By mitigating inequality and promoting inclusive development, cooperative action contributes to the reduction of social tensions, fosters mutual understanding, and strengthens international peace and solidarity. The exchange of best practices, transfer of technology and knowledge, and the coordinated mobilization of resources form the foundation of such collaborative mechanisms.

In this regard, cooperation should not be perceived merely as an aid-oriented mechanism but as a strategic framework for collective advancement. It provides an integrated institutional platform through which governments, private enterprises, non-governmental organizations, and international bodies can jointly implement innovative, evidence-based, and accountable programs targeting poverty reduction. The long-term success of these programs depends on their adaptability, sustainability, and capacity to stimulate self-reliant economic development—ultimately ensuring that cooperation becomes a driving force for global progress and human well-being.

LITERATURE REVIEW

The issue of poverty reduction has been extensively examined by scholars and international organizations, reflecting its persistent relevance to global sustainable development. Poverty is a multidimensional phenomenon that extends beyond income deprivation and encompasses social exclusion, limited access to education, healthcare, and employment opportunities (Sen, 1999). According to the World Bank (2023), addressing poverty requires not only the redistribution of resources but also the creation of structural mechanisms that promote human capital development and inclusive economic growth.

A fundamental dimension of poverty reduction lies in education, which serves as both a preventive and transformative tool. Becker's (1993) human capital theory emphasizes that investment in education and skills development increases productivity, which in turn contributes to higher income levels and improved living standards. Similarly, Todaro and Smith (2020) argue that education enhances individuals' capabilities, enabling them to participate effectively in economic and social life. Empirical studies confirm that even a 1% increase in education expenditure can yield measurable improvements in poverty alleviation and income equality (Hakimov, 2022). In the context of Uzbekistan, the "Taraqqiyot strategiyasi" prioritizes educational expansion and workforce training, particularly among women and youth, as central strategies for breaking the intergenerational cycle of poverty (Presidential Decree PF-6241, 2021).

Healthcare is another crucial component in reducing poverty. The World Health Organization (2022) highlights that improving access to affordable healthcare reduces vulnerability to economic shocks and prevents poverty traps caused by illness and medical expenses. As noted by Rofe and Zhukov (1999), social welfare systems that include universal healthcare coverage can significantly stabilize low-income populations. In Uzbekistan, the state guarantees free secondary education and essential medical services as part of its social protection framework, reinforcing the interdependence between health, education, and poverty reduction (Ismoilov, 2021).

Economic development also plays a central role in combating poverty. According to Sachs (2015), sustained economic growth that is inclusive and equitable is essential for raising living standards and reducing inequality. Small business development, entrepreneurship, and innovation are key drivers of economic diversification and employment creation. Research conducted by Xolmirzayev (2024) demonstrates that supporting small and medium enterprises (SMEs) through favorable regulatory frameworks and access to finance can lead to significant job creation and contribute to poverty reduction in developing economies. Similarly, Abdulazizovich (2025) emphasizes that innovative financing mechanisms and investment in industrial diversification are critical for ensuring long-term economic stability and competitiveness.

Gender empowerment has also emerged as a decisive factor in the literature on poverty alleviation. Studies indicate that women's participation in education and entrepreneurship has a direct correlation with poverty reduction and community development (Samadova, 2017; Xusanova, 2021). The International Labour

Organization (ILO, 2020) reports that closing gender gaps in employment and education could increase global GDP by up to 26%. In Uzbekistan, national programs promoting women's entrepreneurship and vocational education have shown measurable progress in improving household welfare and reducing income disparities (Hakimov, 2022).

Finally, the literature underscores the growing importance of sustainability and international cooperation in modern poverty alleviation strategies. The United Nations' 2030 Sustainable Development Goals (SDGs) explicitly identify poverty eradication as the first and most fundamental global objective (UNDP, 2023). Collaborative mechanisms that integrate economic, environmental, and social dimensions are considered essential for achieving long-term results. Empirical evidence from Taiwan demonstrates that sustainable development policies can lead to near-total poverty eradication by balancing industrial growth, social inclusion, and environmental protection (Pang-Long & Chao-Si, 2007).

In summary, contemporary research suggests that poverty reduction requires a holistic approach that integrates education, healthcare, economic diversification, gender equality, and sustainability. Effective implementation of these multidimensional strategies—supported by robust institutional cooperation—can enable developing countries like Uzbekistan to achieve inclusive growth, strengthen social welfare systems, and ensure long-term socio-economic stability.

RESEARCH METHODOLOGY

The research underlying this article employs a combination of comparative and analytical methods, as well as sample observation techniques. Statistical analysis and multivariate econometric modeling have been utilized to assess the relationship between poverty indicators and socio-economic variables. The study also integrates economic–mathematical modeling, fuzzy set theory, and forecasting methods to identify patterns and predict the potential impact of policy interventions.

Through the use of these interdisciplinary approaches, the study ensures both qualitative and quantitative rigor in evaluating the effectiveness of cooperation mechanisms in poverty reduction. The methodology emphasizes the importance of data-driven decision-making, model-based evaluation, and empirical validation—thereby contributing to a comprehensive understanding of how collaborative strategies can enhance socio-economic development and reduce poverty at both national and international levels.

ANALYSIS AND RESULTS

In every nation, the eradication of poverty represents a complex and multifaceted challenge that requires an integrated and systematic approach. In the context of Uzbekistan, the government has implemented a series of targeted measures to reduce and ultimately eliminate poverty. To ensure the effectiveness of these efforts, it is essential to identify and prioritize the most strategic approaches that can produce sustainable outcomes. The main strategic directions for combating poverty can be summarized as follows (see Figure 1).

Education plays a decisive role in enhancing literacy levels, expanding human capital, and enabling citizens to acquire the knowledge and skills necessary for improving their living standards. It serves as both a fundamental human right and a powerful tool for poverty reduction, social inclusion, and long-term national progress. Access to quality education contributes to better employment opportunities, higher income levels, and overall social well-being.

In the broader context of human development, education strengthens indicators related to health, gender equality, peace, and stability. It not only helps reduce poverty but also enhances the quality of social life and civic engagement. Education empowers individuals to make informed decisions, participate actively in economic processes, and achieve sustainable livelihoods. Thus, it represents one of the most effective and long-lasting mechanisms for breaking the cycle of poverty.

Poverty is not merely an economic condition—it is a socio-economic phenomenon that hinders growth, innovation, and the advancement of society. Among the most effective instruments for overcoming it is education, which builds intellectual and human capital that directly influences productivity and innovation. The experiences of highly developed countries demonstrate that investment in education is one of the strongest drivers of equality and inclusive growth.

For instance, the case of Singapore vividly illustrates the transformative power of education. Despite its small geographic size and limited natural resources, the country has achieved remarkable economic success through sustained investment in human capital and educational excellence. Singapore's progress exemplifies how strategic educational development can compensate for the lack of natural wealth and drive economic modernization.

It follows, therefore, that knowledge and learning constitute the primary means through which individuals and societies can escape poverty. The higher the educational attainment of a population, the greater its capacity for innovation, entrepreneurship, and adaptation to changing economic environments. Education fosters self-reliance and resilience, equipping individuals with competencies essential for sustainable income generation and social mobility.

Ultimately, the level of education within a society correlates directly with employment opportunities and overall economic stability. Individuals with higher education have significantly better access to stable and well-paying jobs, which in turn leads to reduced inequality and enhanced social cohesion. Thus, education remains not only a key element in the fight against poverty but also a cornerstone of national development and human progress.

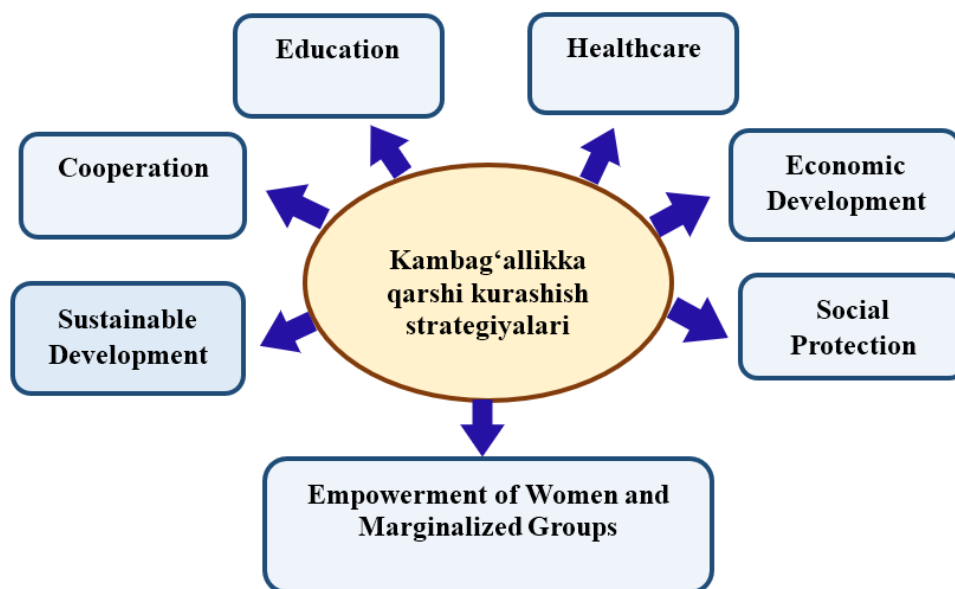


Figure 1. Key Strategies for Combating Poverty¹

In one of his sayings, Imam Bukhari stated, “There is no salvation except through knowledge.” [1] From both a worldly and spiritual perspective, nothing benefits a person more than knowledge. In particular, acquiring economic education plays a crucial role in the conditions of a market economy. Therefore, education is regarded as one of the most essential strategies in combating poverty and is among the most necessary measures for improving the quality of life of those currently living in poverty. Educated individuals tend to be economically more efficient, and as a result, their income levels are generally higher.

Promoting education among women remains one of the most pressing issues of our time. Studies have proven that “when women’s education improves, child mortality rates decrease.” [2] The reason lies in the fact that educated women are more likely to seek medical care and are better informed about ways to protect their own health and that of their children.

According to research findings, a 1% increase in human capital leads to a 0.4% increase in economic stability. Education facilitates the accumulation of human capital and serves as a catalyst for lifting families and communities out of the cycle of poverty. For this reason, as outlined in the Development Strategy, by 2026 Uzbekistan aims to provide vocational training and employment guidance to one million unemployed citizens, particularly women and youth. This new strategy emphasizes the development of human capital, recognizing that in a knowledge-based economy, it constitutes the most critical factor for sustainable progress.

In recent years, Uzbekistan has made significant strides in expanding access to preschool and higher education. The coverage rate of preschool education has nearly doubled, while current policy plans aim to increase this figure to 80% by 2026 (up from the current 69%), and higher education enrollment is expected to reach 50% (from the current 28%) [3].

The social composition of society—reflected in the growing number of citizens with higher education, including qualified specialists—directly influences demand for quality products and services. Analytical results show that allocating sufficient budgetary resources to education can serve as an effective instrument for reducing poverty and improving living standards nationwide.

¹ Note. Adapted from “Poverty and Development”

The Second Strategy: Healthcare

Ensuring access to affordable healthcare, improving treatment outcomes, and reducing the financial burden of medical expenses are among today's most critical tasks. Strengthening the healthcare system—through building new hospitals, increasing the number of hospital beds, purchasing modern medical equipment, pharmaceuticals, and vaccines, as well as incentivizing healthcare workers—is essential for stabilizing the lives of people from all social strata.

Healthcare development holds particular importance in the fight against poverty. It is a misconception to believe that only the poor suffer from poverty; in reality, it affects the entire nation and can even be described as a national tragedy. Poverty adversely impacts public health, labor productivity, and intellectual capacity. Consequently, it also reduces the state budget and heightens political tensions. Poor populations are often unable to benefit from rapid economic growth, and their participation in various sectors of society remains limited.

Therefore, it becomes the responsibility of the state to guarantee free secondary education, ensure a basic package of medical services, and provide specialized assistance and social benefits to vulnerable and low-income families. These measures not only strengthen human well-being but also contribute to national stability, economic resilience, and long-term sustainable development.

Job creation and the promotion of economic growth are fundamental components in reducing poverty. These goals can be achieved through policies that encourage investment, entrepreneurship, and employment generation. However, it is important to note that combating poverty does not only mean addressing material deprivation—it also requires achieving moral and intellectual development. Only through a balanced combination of both spiritual and material advancement can genuine economic growth be realized.

Economic development is closely linked to the level of professional competence, access to education, and maintenance of a healthy lifestyle, as these factors directly contribute to income generation and sustainable livelihoods. Based on this understanding, the following table (Table 1) outlines the main indicators through which poverty can be reduced within the framework of economic development.

Table 1. Indicators of Poverty Reduction through Economic Development²

Improvement of Natural Conditions	Health Preservation	Social Advancement	Economic Growth	Political Progress	Environmental Development
Combating drought	Promoting a healthy lifestyle	Creating a healthy family environment	Efficient use of production factors	Pursuing rational governance	Ensuring environmental protection
Preventing natural disasters	Rational nutrition	Ensuring the rule of law	Achieving economic growth	Promoting religious tolerance	Improving land fertility
Developing green areas	Engaging in sports	Achieving full employment	Ensuring financial stability	Supporting confidence in reforms	Providing access to clean drinking water
Preparing for climate change	Longevity and well-being	Fostering dedication	Achieving a reduction in inflation	Expanding international economic openness	Creating new arable land
Preventing corruption`					

The indicators listed above reflect the diverse dimensions of poverty eradication and their varying influence on different families and social groups. For example, certain indicators may be more significant for rural populations—such as combating drought and improving agricultural productivity—while others, like legal empowerment or financial stability, may hold greater importance in urban areas.

Nonetheless, all these indicators are interrelated and mutually reinforcing. None can be viewed in isolation, as progress in one area inevitably contributes to improvement in others. Depending on the country's level of economic development and its socio-political context, the impact of certain indicators may become more evident. Importantly, these factors are most visibly reflected in income dynamics—higher incomes are both a result and a driver of improved living standards.

For instance, individuals who maintain a healthy lifestyle are more likely to avoid poverty, as proper nutrition enhances labor productivity, increases competitiveness in the labor market, and improves the quality of the workforce. Thus, addressing socio-economic challenges and promoting sustainable human development are among the most complex and vital tasks in poverty reduction.

² Note. Based on author's compilation.

Consequently, in the context of Uzbekistan, poverty alleviation efforts must prioritize increasing the role of women and youth in society—by enhancing their qualifications, providing vocational education, and ensuring stable employment opportunities. Without effectively and systematically addressing these objectives, it is impossible to resolve the broader socio-economic and legal issues linked to the well-being and empowerment of women and young people.

The social protection system implemented by the state performs two main functions:

- the function of social payments;
- the function of social services.

Social payments are primarily provided to the most vulnerable segments of the population—those whose consumption levels fall below the minimum acceptable standards [4]. In Uzbekistan, the state has long ensured free access to secondary education as a part of its social protection system. Furthermore, the government guarantees a basic package of medical services and provides targeted assistance and benefits to socially vulnerable groups living under difficult and risky conditions.

However, more comprehensive measures are still required. The implementation of social protection programs—such as cash transfers, food subsidies, and health insurance—plays a crucial role in safeguarding low-income populations. During the COVID-19 pandemic, the state significantly expanded support for affected households. Families in need of social protection were placed under targeted monitoring, and new approaches were introduced within the national social assistance system.

The issue of combating poverty through a systematic approach and concrete measures was first introduced by the President of the Republic of Uzbekistan, Shavkat Mirziyoyev, in his Address to the Oliy Majlis on January 24, 2020. He emphasized the importance of developing poverty measurement criteria, designing effective mechanisms for poverty reduction, and adopting internationally recognized best practices to ensure measurable progress.

In line with these directives, a Presidential Decree titled “On Additional Measures to Further Improve the System of Social Support for the Population” was adopted [5]. This decree became a landmark policy document aimed at improving living standards and strengthening assistance for low-income and socially vulnerable families.

The Fifth Strategy: Empowerment of Women and Marginalized Groups

Women and marginalized groups often face additional barriers to education and employment. Expanding access to education and economic opportunities for these groups is one of the most effective strategies for poverty reduction. In particular, integrating women and vulnerable populations into small business and entrepreneurship development not only enhances their livelihoods but also contributes to overall economic growth.

Globally, women’s entrepreneurship has become a dynamic force in modern economies. According to international data, the countries with the highest share of women among business owners include Uganda (38.2%), Ghana (37.9%), Botswana (36%), the United Kingdom (35.1%), New Zealand (31.8%), and Russia (31.2%) [6]. Moreover, “more than 25% of newly established businesses worldwide are founded by women. Women own one-quarter of all firms in France and the United Kingdom, one-third in Germany, 23% in Japan, and 38% in the United States” [7].

In the post-pandemic era, when innovation-driven economies are rapidly evolving, the need to improve the management mechanisms of women’s entrepreneurship has become particularly significant. In Uzbekistan, the role of women entrepreneurs as a driving force for economic restructuring and growth has notably increased in recent years. Women’s entrepreneurship is emerging as a new engine of inclusive and sustainable economic development, stimulating innovation, enhancing human resource efficiency, reducing unemployment, and improving living standards.

In the long term, strengthening women’s participation in entrepreneurship is expected to ensure social and economic stability. Women’s engagement in business contributes to national productivity, supports household welfare, and fosters gender-balanced economic growth. Since the early 21st century, reforms aimed at expanding the participation of women in business have led many countries to adopt targeted national programs that promote innovative activities and create a supportive environment for women entrepreneurs. As a result, women’s entrepreneurship is now regarded as a key factor in ensuring sustainable economic development and long-term social well-being.

The Sixth Strategy: Sustainable Development

Addressing environmental challenges such as climate change and deforestation is essential to ensure the availability of resources for future generations. Alongside improving the efficient use of production resources, it is equally important to address the root causes of poverty through comprehensive policy measures. Ensuring that all people have access to basic needs—and that the poor can benefit from productive assets such as credit, education, and training—is critical for inclusive growth.

In this regard, it is noteworthy that in 2015, Uzbekistan formally committed to implementing the United Nations 2030 Sustainable Development Goals (SDGs). Achieving these goals serves as a foundational framework for ensuring economic growth and gradually reducing poverty levels nationwide.

Overall, most of the reforms carried out in Uzbekistan in recent years align with and actively contribute to the achievement of sustainable development objectives. The integration of environmental protection, social inclusiveness, and economic growth within national policies demonstrates Uzbekistan's commitment to building a resilient, equitable, and sustainable future for its people.

In our opinion, the government's policy aimed at strengthening human capital from its earliest stages, meeting the social needs of the population, and reducing disparities between urban and rural areas has already yielded tangible results in the country's socio-economic development indicators. The adopted concepts, programs, and roadmaps provide clear, measurable goals for further work in these areas. The step-by-step implementation of these measures contributes to the continuous improvement of living standards and ensures the country's sustainable economic growth.

For instance, Taiwan's experience demonstrates how achieving sustainable development can lead to a significant reduction in poverty [8]. Although local foreign direct investment (FDI) did not have a major impact on the average wages of the poor, over the past 20 years, the outflow of FDI from Taiwan has negatively affected the income of the lowest 20% of the population. Nevertheless, poverty in Taiwan has been virtually eradicated—less than 1% of the population is classified as poor or earns a low wage. This means that over 99% of the population benefits from the country's economic prosperity and enjoys a high level of personal well-being and satisfaction.

The Seventh Strategy: Cooperation

The fight against poverty requires cooperation between governments, non-governmental organizations (NGOs), businesses, and individuals. Poverty is a global issue that affects multiple countries and regions—it cannot be confined within the borders of a single state or society. Effective cooperation allows for the pooling of international resources and efforts, thereby enabling a more coordinated and impactful global response to poverty reduction.

Cooperation also facilitates the exchange of experiences and best practices among nations and institutions. Through such collaboration, countries can learn from each other which programs, policies, and strategies yield the best results and adapt them to their local contexts.

At its core, cooperation in poverty reduction is founded upon the principles of justice and human dignity. Every individual has the right to an adequate standard of living, freedom from hunger, access to education, healthcare, and other essential services. Partnership-based approaches create equitable conditions that provide all people with equal opportunities to overcome poverty and achieve their potential.

In recent years, Uzbekistan has made notable progress in fostering social cooperation between state institutions and non-governmental organizations. These partnerships have become closely aligned with the key objectives of the New Uzbekistan reforms—protecting human dignity, promoting entrepreneurship, and addressing strategic socio-economic issues. The growing need for cooperation in areas such as unleashing entrepreneurial potential, supporting state initiatives, and addressing social and economic challenges has been widely recognized.

Within this framework, NGOs play a vital role. Strengthening the legal foundations of their activities, enhancing constructive dialogue between state institutions and civil society organizations, and promoting public participation are essential for building an inclusive and sustainable development model. Such cooperation creates new opportunities for low-income individuals and communities.

According to current legislation, non-governmental organizations in Uzbekistan are authorized to establish direct international relations with foreign NGOs and conclude cooperation agreements. These partnerships expand the scope of opportunities for poverty reduction and elimination through joint programs, funding, and knowledge exchange.

Moreover, cooperation among enterprises and individuals contributes to the creation of new jobs, increased production capacity, and the expansion of service sectors. These collaborative initiatives represent some of the most effective strategies for eradicating poverty at both national and regional levels.

Through collaboration, complex problems can be addressed collectively. Poverty is interlinked with multiple factors—education, healthcare, housing, food security, and access to economic opportunities. Solving these interconnected challenges requires joint efforts and shared resources. Cooperation brings together expertise, financing, and innovation to tackle the multifaceted nature of poverty.

Furthermore, collaborative approaches promote synergy by aligning the actions of all stakeholders toward common goals—achieving results that far exceed those of isolated efforts. Partnerships also enhance the monitoring and evaluation of anti-poverty programs and projects, ensuring continuous improvement through feedback and adaptation.

Finally, cooperation helps scale up successful models of poverty reduction. When one country or region achieves positive results, those models can be adapted and replicated elsewhere under similar conditions. This global sharing of knowledge and practice reinforces the collective capacity of nations to combat poverty and build a more just and equitable world.

CONCLUSION AND RECOMMENDATIONS

The development of small business is a key driver of economic diversification and sustainable growth, contributing significantly to the expansion of various sectors within a national economy. However, without consistent and effective state support, small enterprises may encounter stagnation, resulting in increased unemployment and a resurgence of poverty. The state, therefore, plays a central role as a regulator in ensuring a fair and competitive market environment, safeguarding consumer rights, and guaranteeing freedom of enterprise and labor while promoting innovation and accountability [9].

To enhance poverty reduction efforts and improve the overall welfare of the population in Uzbekistan, the following strategic directions are recommended:

- Expand and strengthen the small business and private entrepreneurship sector, ensuring its growth is proportional to the population and aligned with global best practices;
- Increase employment opportunities by supporting the creation of new enterprises and stimulating labor market participation through entrepreneurship;
- Develop vocational education and training programs to build professional skills and competencies among low-income and unemployed groups, thereby increasing their productivity and social mobility;
- Continue comprehensive economic reforms that simplify registration, licensing, and taxation procedures for small and medium enterprises, ensuring an enabling environment for business growth;
- Encourage self-employment initiatives by introducing targeted microcredit programs, subsidies, and mentorship systems that empower individuals to start and manage their own enterprises;
- Broaden access to social services and safety nets to ensure the inclusion and protection of vulnerable and marginalized populations in national development processes.

Improving living standards and promoting inclusive growth remain strategic priorities for Uzbekistan's long-term socio-economic agenda. Sustainable poverty reduction can only be achieved through the dynamic development of entrepreneurship, which not only generates employment but also stimulates innovation, enhances competitiveness, and revitalizes regional economies.

In summary, advancing small business development, investing in human capital, and implementing inclusive economic policies form the foundation for sustainable growth, poverty alleviation, and social prosperity in Uzbekistan. By fostering entrepreneurship, improving education, and expanding cooperation across sectors, the nation can build a resilient and equitable economy that ensures long-term well-being for all citizens.

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