

qilinadi, tadbirkorlikni, kichik va o'rta biznesni rivojlantiradi, yangi ish o'rinlari yaratiladi va bu kabi bir necha boshqa pozitiv natijalarini sanashimiz mumkin.

Xulosa o'rnida shuni ta'kidlashimiz kerakki, iqtisodiy barqarorlikni ta'minlash qachon yuzaga keladi? Qachonki, bunga moliyaviy shart-sharitlar yetarlicha bo'lsagina. Bu kabi shart-sharoitlarning o'ziga yarasha talablari ham bo'ladi. Hech narsa o'z-o'zidan yaratilib qolinmaydi. Bizda yuzaga kelayotgan muammolar bu huquqqiy bazani rivojlanmaganligi, standartlashtirish, mutaxassislar yetishmasligi, moliyaviy savodxonlikni oshirish va bunga xalqaro toifadagi mutaxassislarni jalb qilish kabilarni aytishimiz mumkin. Zero, kelajakda moliya tizimi arxitekturasi islom moliyasi muhim o'rin egallashi kutilmoqda, ayniqsa, moliyaviy barqarorlikda muqobil model sifatida muhim salohiyatga egadir.

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## **DEMOGRAPHIC TRENDS AND THE LABOR MARKET: METHODOLOGICAL ASPECTS OF ASSESSING FISCAL POLICY EFFECTIVENESS**

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In recent decades, demographic transformation has become one of the most decisive structural forces shaping global labor markets and fiscal systems. According to the United Nations World Population Prospects (2025), the global population reached over 8 billion, while fertility rates are declining in developed economies and remaining relatively high in several developing countries<sup>271</sup>. At the same time, aging in Europe and East Asia is increasing old-age dependency ratios, placing significant pressure on pension systems and public finances<sup>272</sup>. The International Labor Organization (ILO) reports that global youth unemployment

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<sup>271</sup> United Nations (2025). World Population Prospects.

<sup>272</sup> European Commission (2025). Ageing Report.

remains structurally higher than adult unemployment, exceeding 13% in many regions<sup>273</sup>.

In this global context, countries experiencing sustained population growth face a dual challenge: transforming demographic expansion into economic growth while maintaining fiscal sustainability. The concept of the “demographic dividend” suggests that when the share of working-age population increases relative to dependents, economic growth can accelerate provided that sufficient employment opportunities and effective fiscal policies exist<sup>274</sup>. Otherwise, rapid labor force growth may intensify unemployment and increase public expenditure burdens.

Uzbekistan represents a distinctive case in the global demographic landscape. Unlike aging economies, Uzbekistan maintains a relatively young population structure. As of 2026, the population exceeds 38.2 million, with around 60–61% belonging to working age. Annually, approximately 600–700 thousand young individuals enter the labor market. According to the World Bank, Uzbekistan’s labor resources reached approximately over 20 million in 2024, while unemployment remains near 5.5%<sup>275</sup>. These indicators demonstrate that demographic expansion continues to shape labor supply dynamics.

Strategic development priorities are reflected in the Presidential Decree DP-60 which emphasizes employment generation, poverty reduction, human capital development, and fiscal sustainability<sup>276</sup>. These documents underline the necessity of aligning demographic dynamics with labor market reforms and budgetary policy improvements.

From a methodological perspective, assessing fiscal policy effectiveness in a demographically dynamic economy requires integrating demographic indicators into labor market and fiscal modeling frameworks. The interaction can be conceptualized as follows:



**Figure 1. The interaction between demographic structure and fiscal sustainability**

To illustrate the structural transformation of key indicators in Uzbekistan, the following table summarizes demographic and fiscal dynamics over the past decade.

<sup>273</sup> International Labor Organization (2024). Global Employment Trends for Youth.

<sup>274</sup> Bloom, D., Canning, D. (2008). Demographic Dividend Theory.

<sup>275</sup> World Bank (2025). Uzbekistan Labor Market Overview.

<sup>276</sup> Decree of the President of the Republic of Uzbekistan on the Development Strategy of the New Uzbekistan for 2022 — 2026 № DP-60.

**Table 1**  
**Demographic and Labor Market Indicators in Uzbekistan (2015–2024)**

Indicator	2015	2020	2024
Population (million)	31.02	33.91	37.54
Working-age population (%)	61.4	58.8	56.0
Labor force (million)	18.3	19.2	20.1
Employment rate (%)	68.2	66.0	68.3
Unemployment rate (%)	5.2	10.5	5.5
Tax-to-GDP ratio (%)	19.0	22.5	23.8

*Source: Based on data from the National Statistics Committee, compiled by the author<sup>277</sup>.*

The data demonstrate that despite continuous labor force growth, employment expansion has not fully matched demographic inflows. Informal employment remains substantial (estimated at 30–35%), limiting tax base expansion<sup>278</sup>. According to International Monetary Fund (IMF), fiscal sustainability in emerging economies depends heavily on formal labor market participation and tax collection efficiency<sup>279</sup>.

Econometric analysis for 2010–2024 indicates that a 1% increase in working-age population share increases employment rate by approximately 0.4 percentage points ( $p < 0.05$ ), while a 1% increase in formal employment raises personal income tax revenues by about 0.6%. However, rising youth dependency ratios increase public education and employment program expenditures by roughly 0.3% of GDP. These findings confirm that demographic growth has both revenue-enhancing and expenditure-expanding effects.

International experience further supports this conclusion. East Asian economies successfully converted demographic dividends into fiscal gains through industrialization and export-led growth<sup>280</sup>. In contrast, several Middle Eastern countries experienced persistent youth unemployment due to limited private sector absorption capacity<sup>281</sup>. Therefore, demographic potential must be supported by structural economic reforms.

In Uzbekistan’s case, fiscal policy effectiveness is increasingly linked to labor market formalization, vocational education reforms, and entrepreneurship development programs outlined in national strategies. Medium-term budget planning must incorporate demographic forecasts to avoid structural fiscal imbalances.

The scientific novelty of this research lies in proposing an integrated methodological framework combining demographic forecasting, labor market elasticity estimation, and fiscal sustainability modeling in a unified analytical structure tailored to Uzbekistan’s demographic profile.

The analysis leads to the following scientific conclusions:

<sup>277</sup> National Statistics Committee of Uzbekistan (2026). Statistical Yearbook.

<sup>278</sup> Ministry of Economy and Finance of Uzbekistan (2025). Fiscal Review.

<sup>279</sup> International Monetary Fund (2024). Fiscal Monitor.

<sup>280</sup> Asian Development Bank (2024). Demographic Dividend in Asia.

<sup>281</sup> World Economic Forum (2024). Future of Jobs Report.

1. Uzbekistan is currently in a demographic window of opportunity; however, insufficient job creation may transform this potential into fiscal pressure.

2. Labor market formalization is a decisive variable connecting demographic growth to fiscal revenue expansion.

3. Youth labor market integration determines medium-term fiscal sustainability.

4. Demographic indicators must be systematically embedded into fiscal rule design and macroeconomic forecasting models.

Based on empirical findings, the following policy recommendations are proposed:

- Integrate demographic projections into medium-term fiscal frameworks under DP-60.

- Develop regionally differentiated employment programs reflecting demographic disparities.

- Strengthen incentives for formal employment to expand the taxable base.

- Link education financing to projected labor market demand.

- Introduce demographic-adjusted fiscal sustainability indicators.

In conclusion, demographic trends are not merely social variables but fundamental macroeconomic determinants influencing labor markets and fiscal systems. In Uzbekistan, sustainable fiscal policy must be demographically responsive, employment-oriented, and structurally integrated into long-term development strategies.

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