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NEW DEMOGRAPHIC TENDENCIES,
EMPLOYMENT AND LABOR MARKET IN UZBEKISTAN

Central Asia is one of the cradles of world civilization. During the ancient and the Middle Ages periods it played a vital role in transmission of cultural and scientific ideas between East and West, North and South. The World benefited greatly from the work of famous people such as Avicenna, Al-Beruni, Al-Khorezmi, Ulugbek, Al-Bukharie and other distinguished scientists, thinkers, architects, etc.

But in more modern era Central Asia became increasingly isolated from the World outside. As a result and because of other reasons its intellectual heritage was forgotten. Nowadays this region is emerging to become a center of attention for business, political and cultural interests of the world community.

There are many objectives of this research paper. One objective is to attract the attention of world community to this region, and to learn about its historical heritage and its contemporary importance in solving global problems. The other objective is to foster closer cooperation between specialists in Central Asia and their foreign counterparts interested in demographic and labor problems. As an example of the growing interest of world community in our region is the comprehensive research «Silk road – the way of the dialogue» of the UNESCO program, "Decade of the development of the world culture".

Demographic situation

Demographic factors are the essential determinants influencing the employment and strategy policy, because of their influence on mid-term and long term situation on the labor market. During recent years Uzbekistan shows a tendency of slowing demographic growth. The reasons for this slow down are following:

- decrease in the birth rate at 1,5 times compared with the beginning of 90-s;
- constant emigration outflow of population from Uzbekistan, at the level of 40-50 thousands annually.

These factors counterbalance the factors which increase the population, such as reducing of mortality rate, including infant mortality, and they could provide decrease in annual population growth rate from 3,5% to 1,6% nowadays, and 1,3%-1,4% at mid-term perspective.

The population growth is mainly determined by difference between the rates of birth and mortality. For these main demographic indices Uzbekistan has its own specific features, which began to change from 1991, after Independence.

The dynamics of mortality rate could characterize economic, social and cultural situation in country. Mortality is the only demographic factor, which could be directly influenced by social factors and economic development of the society.

The most accurate reflection of the quality of life is the mortality rate of infants younger then 1 year-old. Among the all Republics of the former USSR, at the end of 80s, the highest infant mortality rate was observed in Uzbekistan.

It was also observed a high mortality rate of women. This is caused by pregnancy and birth problems. The other factor of risk for mother and child is the high frequency of births.

Another component of reproduction of population is the birth rate. This index depends on ratio of rural and urban population, because of tendency of birth rate reduction in urban areas. Comparing birth rate in urban and rural areas we could find out that in the beginning of 80-s the rural birth rate exceeded the urban one on 13,8 points or as much as on 1,5 times, and in the end of 90-s, it exceeded the urban birth rate on 10 points, or at 1,1 times.

If we examine the statistics over a longer period to include changes of birth rate in 1970s, then we could see more accurate decrease of birth rate in urban areas and its uneven stabilization in rural areas.

Though the birth rate in rural areas in recent years was almost unchanged, we should explain the dynamics of the birth rate in urban areas and its factors such as the ratio of indigenous and European population in cities, level of employment (especially among the female population), character of the employment, including its sex and age structure. These and other factors influenced by size of cities and other variables could form different birth rates.

In case of Uzbekistan's high birth rate, it should be mentioned, that this high rate is maintained mostly by rural population and population of small cities.

Speaking about demographic behavior it should distinguish conditions determining behavior of different population groups. In this case the high birth rate observed for rural areas. That's why the changes in reproduction behavior are closely related to urbanization rate of population. For Uzbekistan the urbanization rate is 40 % and it is very low.

The growth of labor force in rural areas exceeds the same index in cities as much as on 1,1 times. The portion of women having high and specialized education in rural areas is lower compared with that in cities. The participation of women in production sphere in Uzbekistan is low. All these factors directly influence on reproduction behavior.

A transition to a new type of demographic behavior mostly depends on such factors as nationality, place of residence, job, level of education and qualification. The analysis of reproduction behavior shows clear difference of birth rates according to social groups. For indigenous women the main factor influencing on birth rate is the character of the employment, which accumulates in itself such factors as education level, culture, role of woman in family.

The highest birth rate has been observed among housewives. There is direct relationship between the duration of marriage and quantity of births for women of different nationalities. For indigenous and European women the quantity of births in group of 1-5 years marriages is almost equal, but when the duration of marriages increases the differences also increase.

Taking into account all these national peculiarities we can say that the maternity and childhood protection have the priority status in Uzbekistan.

The achievement of this aim is possible only after the total betterment of living conditions of population, their work conditions, education and recreation conditions, reforming of the healthcare system and realization of measures for protection of environment.

The solution of problems of medical protection of mother and child in Uzbekistan is based on constitutional principles of gratuitous and easily available medical care and ate same time on practice of payable medical service.

The State supports the following directions in health protection: development of medical service and diagnostics, prevention of children disability and social rehabilitation of children with chronic diseases, prevention of infant infections, implementation of modern medical technologies.

In addition, in Uzbekistan it's created different regional and interregional centers to provide specialized aid for mothers and infants. In addition, in Uzbekistan it's created different regional and interregional centers to provide specialized aid for mothers and infants.

EMPLOYMENT AND LABOR MARKET

Nowadays along with demographic problems there is a problem of provision of actual employment for population.

The urgency of this problem is determined by high rates of human resources' growth. In such a way the number of human resources has increased by 1 million by only last 5 years.

At the present moment about 10 million workers and employees work in all branches of national economy. Among them 1,2 million people are employed in industry, about 3 million men work in agriculture, 0,65 million men are engaged in construction, transport and communications employ 0,26 million people, 0,75 million people are employed in commerce, catering, procurement and logistical support. The figures are comforting and impressive but behind them there is serious problem of employment of growing population.

The situation is aggravated by the fact that in the process of gradual transition to market economy, during taking measures aimed at improvement of economic mechanisms there is intensive decrease of employment. Only by last 6 months of previous year more than 65 thousand jobs were cut. This process concerned agriculture, the sphere where work force is the least productive.

By the beginning of this year 50 thousand job seekers were registered at labor market exchanges. Now government faces important task of creation of mechanism which would allow to alleviate undesirable consequences of unemployment. The essence of government policy in labor market is an attempt to provide each man a job which would meet his or her abilities and would allow constant increase of qualification, skills and learning new jobs. The creation of effective system of

incentives for highly productive labor as a basis of workers and their families' welfare is one of the pillars of social policy of Uzbekistan.

The first stage of transition to market economy virtually inevitably faces problems of industrial output fall and decrease of employment. In these conditions the graduates of higher education establishments strand: part of them can not find a job. Law about employment provided special quota of jobs for them and also for other groups with low competitive strength on the labor market (women with young children, invalids).

One of the large-scale and important actions carried out by government in order to alleviate the problem of unemployment was allocation of land plots (0,06 – 0,20 hectare) which also solved problem of saturation of market with foodstuff and problem of housing. 1mln. and 700 thousand households used this opportunity.

Preservation of number of student admission to higher education establishments and special secondary education establishments and even its increase can be also considered as effective mean of decrease of number of unemployed. This would allow young men in Uzbekistan acquire high quality education and avoid unemployment among teachers and professors. Besides the graduates of highly education establishments even if he or she cannot find job may faster retrain for new job or adapt to new environment. Usually his or her adaptation capability in changing situation is very high.

As forecasted the population of the Republic of Uzbekistan will be about 26.6 million people by the year 2006, the increase of 6.5% against the year of 2000. In regional aspect in medium term prospect the highest rates of population growth will be observed in Kashkadarya, Jizzakh, Surkhandarya and Khorezm regions and the lowest rates will be experienced in Navoi, Tashkent and Fergana regions and city of Tashkent. Along with this the share of population under work age will decrease (from 40 to 35%); the share of population in work age and in pension age will increase respectively from 52 to 58% and from 8 to 12%.

On the one hand it is very positive fact which means that republic will enjoy considerable human resources potential, because rate of growth of population in work age outnumbers the rate of growth of whole population. On the other hand this will

create difficulties with provision of employment for increasingly more people entering the work age.

At the present moment and in medium term prospect labor market in Uzbekistan will be effected by the demographic tendencies which formed in first half of 80s, which characterized by high birth rates.

In the period to 2005 average annual population entering work age will mount to 600 thousand men or 4% of work force. In the same period every year more than 290 thousand people will drop out of work force by retirement, immigration and death in work age. Thus average rate of growth of work force will be about 300 thousand people which require creation of new jobs.

As analysis shows, in the next one or two years because of increase of term of compulsory education from 11 to 12 years as it is considered by National Program of Training of Specialists, demographic pressure on labor market will diminish in some extend. Estimated 300 thousand people finishing the education establishments of all types including general education schools will come into labor market. However by the year 2005 effect of prolongation of term of education in schools will disappear because new types of education establishment's graduates will come into labor market. This will be absolutely new labor force with high qualification and thus higher demand for jobs and spheres of engagement. Above mentioned problems is due to be solved in concrete situation in labor market which is characterized by:

– decrease of employment in real sector of economy. By last 5 years the number of employed in industry dropped by 90 thousand, in construction and building decreased almost by 100 thousand, in transport – by 55 thousand;

– considerable increase of employment in the sphere of small and medium sized business. By the same period employment in this sphere grew up almost by 500 thousand and offset the decrease of employment in real sector;

– increase of number of people who independently provide employment by themselves, in dekhkan households and entrepreneurship – by 0,8 million by last 5 years;

– active process of disengagement of redundant work force during structural changes in economy. More than 450 thousand were replaced from agricultural firms

during transformation into shirkats and conduct of readjustments in 1998-2000 and this process continues;

– imbalance between demand for work force and its supply. This is proved by permanent availability of 40 thousand open vacancies and simultaneous presence of 50 thousand officially registered job seekers, which have no opportunity to find a job because of lack of qualification;

– discrepancy between quality and quantity of created jobs and the requirements of able-bodied citizens.

Employment predominantly ensured by individual entrepreneurship, dekhkan households, trade and intermediary services. On the one hand this is factor which keeps back unemployment but on the other hand this shows insufficient attention paid to creation of new jobs connected with production of ready products and processing of domestic raw materials.

Interaction of these and some other factors predetermined the fact that by last 3 years total number of employed in economy increased by 180 thousand while the number of unemployed also increased. (See appendix Tables 10, 11).

One of the particular features of labor market is the increase of tension on labor market in some areas.

The tendencies observed in economy in last years show evidence of possibility of positive changes in the sphere of engagement. In medium term it is expected that the relatively high rate of GDP growth will remain stable and constitute average of 6,5%. As experience of many countries shows that the increase of GDP by 3-4% creates additional employment by 1-1,5%. As a result of growth of investments into real sector the creation of new jobs, increase in efficiency of using of present productive capacities, growth of employment in sphere of self-employment, entrepreneurship and micro business including dekhkan farms are expected.

In 2001-2005 estimated demand by real sector of economy for labor force will mount to more than 1,1 million people. This demand is formed by natural disengagement of personnel of present companies and by creation of new job places in real sector of economy, which occurs due to construction of new objects and reconstruction, reorientation and modernization of existing companies. For example,

because of putting into operation new production capacities for processing raw cotton, grain, meat and milk more than 30 thousand jobs are going to be created.

The highest rates of growth of new job places are expected in light industry (15% of total new job places), in food and agricultural products processing industry (12%), in services sphere (13%), in construction materials industry (9%). Simultaneously, relatively stable demand for employees is expected in the sphere of market infrastructure, communication and computer technologies.

Employment of population will be provided by further development of all forms of entrepreneurship, which provides self-employment. In the period to 2005 more than 1 million people will be engaged in this sphere.

Demand of economy for specialists in medium term prospective is characterized as stable demand for managers (primarily in the sphere of small and medium enterprises). This demand for managers is explained by further development of all forms of entrepreneurship and market infrastructure.

Education – the direction of government policy with a high priority

The government of Uzbekistan, conducting the reforms in the spheres of political, social, economic life of society, pays a great attention to the activization of human factor by constant increase of the level of education and qualification of population.

The indicators in the sphere of education are sufficiently impressive and the level of literacy reaches that of developed countries.

Changes in the share of expenditures on education in the Republic of Uzbekistan, 1997-1999

	1997	**1998**	**1999**
Government expenditures on education, in % of GDP	7,89	8,06	10,33
Government expenditures on education, in % of all budget expenditures	24,27	24,44	32,11

The level of literacy of population, 1997-1999 (%)

	1997	**1998**	**1999**
Total	99,13	99,15	99,30

In accordance with National Program of Training of Specialists (NPTS) the reform in the contents of teaching in secondary schools was conducted, and absolutely new nine-year general secondary education system, which has its continuity with further special and professional education (SSPE), was introduced in 1997-2000.

In 1998-2000, 306 new educational institutes were built in the republic, in particular 47 academic lyceums (AL) and 259 vocational colleges (VC). 243 SSPE objects for 160360 students (22970 – in AL, 137390 – VC) were adopted by government committee.

From 1998, after finishing 9 classes of secondary school learners can choose one of the directions either in academic lyceums or vocational colleges.

International recognition of NPTS, donors of investments

International community with great interest has perceived National model of education of XXI century in Uzbekistan. UNO, UNESCO and other international organizations have emphasize large scale and future opportunities of educational reforms in Uzbekistan in various international forums many times.

International organizations and financial institutions of many developed countries decided to render financial and technical support to implementing reforms in education in the country. This help was indicated to the solution of such problems as enhancement of publishing books and manuals for the development of SSPE, to provide AL and VC with modern equipment, to train teachers, and to implement new technologies of education, etc.

In this case, Asian Bank of Development has issued about US$250 million in the forms of credits and grants, Korean Found of Cooperation in Economic Development has provided a credit of US$35mln. The Japanese government has issued a preferential credit of US$58 million.

A miscellaneous help is being rendered also in the forms of projects and grants, supplied by TASIC program, European Found of Education, British Council, German Association of Technical Cooperation.

In order to support clever youth to study abroad in 1997 there was created "Umid" Fund of the President of the Republic of Uzbekistan. Under the financial support of this Fund more than 500 students from Uzbekistan have continued their studies in many principal high schools abroad.

In December 1997, in order to train highly qualified teachers and schoolmasters, explore the experience of developed countries in teaching, learn new teaching technologies, a Republic Fund "Ustoz" was organized.

This Fund has created an infrastructure, including traditional and virtual libraries, centers of innovative technologies in the elaboration of study materials. It also has begun to build a professional studio of elaboration of the study materials and clips.

Together with the School of Economy of London a World Bank project of the distant education is being realized. The Found financed by the Open Society Institute will supply with 84 virtual libraries of last 11 years with 3500 periodicals for free usage young teachers, researchers and scientific employees.

The strategy of the National program of training specialists (NPTS) predestines one more factor, positively influencing on the situation in labor market. It means that schoolchildren who finished the schools of new type can possess a wide specter of adjacent adaptation and competitive ability of young specialists in the labor market.

The main instrument of formation and regulation of the labor market is prospective programs of employment provision and creation of new job places, elaborated and realized on the territorial level as well as on the structural one. The main parameters, accepted in October in the previous year, of creation of new work places and employment provision to the period of 2005 were based on real prerequisites of regional economic development for the medium term.

MAIN DIRECTIONS OF EMPLOYMENT POLICY AND REGULATION OF LABOR MARKET

There are general as well as specific, regional problems of employment and labor market, due to changes and tendency in the world economy, its globalization, and also peculiarities of social-economic and demographical development of the countries.

Although every country elaborates and realizes its own employment policy, there are still basic and already used in the world economy principles, which are considered to be the basis of any national model.

1. Concordance of employment policy with reformation of economic and social spheres

First of all, while forming national policy the diversification of economic, social and other factors, influencing on the level of employment and labor market, should be taken into account. And so, supply of labor force in the labor market depends on demographic development, and at the same time is under the influence of government policy in the sphere of education, health, and social protection of the population. Demand for labor force directly linked to investment, structural, industrial, technological, taxing, credit and monetary policies in the region.

This means that complex, interdisciplinary approach must be in the basis of national policy of employment provision and regulation of labor market. And on this basis the strategy and aims (short, medium and long term) of this policy are determined. In short term a program should consider issues of prevention of unemployment and promotion for job-seekers with some material support. In the medium term, the main issue is to stimulate a demand for labor force, create new work places and active investment activities, to form favorable environment for enterprises, regulate wages and incomes. A long term aim – creation conditions for free, productive employment for everyone and strengthening of social support for unemployed.

It is clear that formation and realization of national policy can not be a prerogative an d a duty only of the Ministry of Labor or Employment Service. It must be a result of teamwork of various government departments (economic, financial, etc.) in order to reach a concordance of measures in the sphere of employment with the measures in other spheres of social-economic development.

It is necessary to ensure coordinating function of central government in solution of employment and unemployment problems and at the same time strengthen the role and initiatives by regional authorities.

2. The priority of active measures in the policy of the labor market regulation

Under high unemployment and lack of financial resources for conducting the policy of labor regulation the great attention, as a rule, is paid to material support for unemployed and other passive measures. However, more productive measures are active programs in the labor market that decrease the continuance of unemployment. At the same time passive policy can be also conducted using active measures. Such a measure

is implemented and used in Uzbekistan. In some countries additional financial incentives are used to encourage employment. For instance in the UK and Ireland subsidies provided for those who decides to return to job.

One part of active policy in the sphere of employment and labor market is small and medium sized enterprises. From the point of view of employment, the development of that sector should pursue three main purposes: support of operating small enterprises, creation of new small businesses, gradual integration of small enterprises operating on informal basis into the formal sector. Under stimulating small business it is necessary to, firstly, formulate appropriate legislative climate, secondly, to finance small enterprises,

Preservation and further development of social and market infrastructure is very important, because lack of its development halter business activity as well as foreign direct investments. Because of this it is important to attract investments in telecommunications, road network system, network of exchanges, consulting, leasing companies. As the experience of countries with transitional economy such active measures have multiplier effect (domino effect) on creation of new jobs in various branches of industry and sphere of services.

3. Professional education expansion considering the demand
on the labor-market

As it was mentioned before, not only the employment and labor-market regulation policy, but also the overall development of the economy highly depends on the level of qualification and professional knowledge and skills of workforce, especially considering the necessity of massive introduction of modern technologies.

Thereupon, first, it is essential to provide the secondary specialized education to all categories of workforce entering the labor-market, especially the youth and women earlier employed in the housekeeping and in the informal sector.

Second, it is necessary to shift from particular specialization to interdisciplinary training and education on modular technologies to create the conditions and prerequisites for advancement of competitive ability and adaptability of workers on the labor-market, change, when necessary, the profession or the kind of the labor activity. First of all it concerns disengaged workers.

Third, national professional education system must react pliably to the impulses and indicators of the labor-market and fully take into account the demand for the workforce of particular profession or specialty.

4. Assistance to placing in a job for those experiencing particular hardship on the labor-market

The social groups that most frequently become subject to the risk of unemployment or involuntary unemployment are invalids, women with infants, common labor, youth and those, who don't have professional skills, etc.

In an effort of effective assistance to the job placement of invalids it is necessary to establish the process of evaluation of invalid's ability to work and degree of their ability limitations (not only from medical point of view) and in combination with professional rehabilitation improve the assistance to the invalids in their search for job. At the same time in order to increase the concernment of employers in employing the invalids financial and other stimuli would be more effective compared to the compulsory measures. As an example there could be mentioned a polish system of job placement and professional rehabilitation of invalids, which is based on usage of quotas. The enterprises that do not maintain those quotas pay a fee to the invalids rehabilitation fund. Obtained funds are spent for financing the invalids' professional rehabilitation services, stimulation of employers, which create the workplaces besides quotas, funding and equipping special workshops.

For successful and rational job placement of women with infants the following three conditions should be taken into account: 1) price availability of infant schools; 2) qualification and education that are in demand on the labor-market; 3) organization of flexible working regime, that allows to combine the work in a factory with babysitting and housekeeping. In this connection it is necessary to practice the voluntary formation of job contracts allowing part time work regime. Also it is worthwhile the organization of qualification improvement or retraining of women, which returned to work after a long maternity leave.

Also least competitive and not well protected from unemployment is the professionally untrained youth, especially in the countries with high demographic growth potential. To solve this problem it is expedient to realize the programs that combine professional education of youth with the creation by them of their own

enterprises. The method of teaching the youth the basic social skills through a thought-out professional orientation and training before they enter the labor market is believed to be effective. If it is needed, the process of combination of work and professional training should be organized, at the same time a part of employer's expenditures, including those, which offer regular work to young people who are working temporarily.

5. Strengthening the potential of placement services and improvement of their activities

The key problems of effective functioning of the most important unit of the labor-market, the placement service, is improvement of services quality delivered to the population, jobless, employers, creation of developed labor market information system, and also organization of collaboration with authorities.

Labor-market and placement services institutions (in Uzbekistan, these are local labor agencies) must effectively and directly cooperate with authorities of their own level. In transition economies, local (regional) authorities are usually passive to the employment problem, pushing it aside to the labor agencies. Their cooperation with the labor agencies does not go beyond organization of public works. However, local authorities being responsible for development of the economy of the region could actively contribute to rebuilding of employment by investments, creation of new factories and communications, formation of industrial and social infrastructure, stimulating the employers and entrepreneurs.

Every placement service agent, who is an intermediary between employer and unemployed, must regularly keep in touch with local enterprises for better understanding of their problems and workforce requirements. If their requirements are met, this increases their faith in placement services, and in this case the enterprises are interested in presenting more vacancies and filling them with workers, offered by the placement services.

It is important also to have a well functioning labor-market information system, including the information about the people, who are looking for job, and also a database of vacancies, including information about qualification requests, work conditions. Besides effective job placement with consideration of requirements of unemployed people, this will help to improve the employment programs realization, organize a

quality analysis and forecasting of the labor-market. In it's turn this will help to create the system of continuous labor-market monitoring and at the same time increase placement services efficiency. It's obvious, that a technical prerequisite for this is well functioning computer system, that connects all placement services.

MAIN DIRECTIONS OF THE REALIZATION OF SOCIAL POLICY IN TRANSITION PERIOD

SPHERE OF PRODUCTION

- ❖ maintenance of high level of employment
- ❖ maintenance of employees interests during privatization
- ❖ maintenance of established guarantees in the sphere of labor relations
- ❖ creation of conditions for the development small and medium size businesses

DISTRIBUTION SPHERE

- ❖ determination of minimal wages, pensions, grants, scholarships;
- ❖ indexation of people's income because of inflation;
- ❖ redistribution of part of incomes in favor of not sufficiently provided citizens.

EXCHANGE SPHERE

- ❖ protection of internal consumer market;
- ❖ increase in consumer goods output;
- ❖ creation of conditions suitable for free goods exchange.

CONSUMPTION SPHERE

- ❖ non-admission of main foodstuff consumption decrease;
- ❖ consumption structure improvement.

SOCIAL PRIORITIES

SPHERE	PRIORITIES
LABOR	Increasing the employment of the urban population
PUBLIC HEALTH	Primary medical help
EDUCATION	Supplying the education process with books
SOCIAL PROTECTION	Strongly directed help

SOCIAL PROTECTION SYSTEM HAS TO:

- **BE INTEGRAL;**
- **BE ADEQUATE TO THE LEVEL OF ECONOMIC DEVELOPMENT;**
- **BE EFFECTIVE (ADDRESSED, DIRECT):**

    a. **BE WELL CONDUCTED;**
    b. **BE WITH GOOD FEEDBACK;**
    c. **REACH THE MAIN GOAL WITH LOW EXPENDITURES;**
    d. **BE FAIR;**
    e. **TAKE INTO ACCOUNT CULTURE, TRADITIONS AND CUSTOMS OF PEOPLE.**

Table 1

GROUPING OF COUNTRIES BASED ON THE TYPES OF THEIR ECONOMIC POLICIES AND SOCIAL-ECONOMICAL DEVELOPMENT RESULTS FOR 1913-2000

System and economic policy	Examples	Average of groups		
		GDP per capita growth, 1913-2000	GDP per capita in 2000, % of world	Unemployment rate in 2000, %
Market, Liberal	Taiwan, USA, Japan, South Korea	10.1	249.6	3-5
Market, Liberal	Sweden, Switzerland	5.8	147.6	4-7
Market, Liberal	France, Italy, Germany	5.1	131.5	9-12
Market	China, Canada	4.3	110.6	3-9
Market	Hungary, Czech Republic	3.7	94.7	8-9
Market, Neutral	Mexico, Brazil	2.6	67.7	13-15
Market	Bulgaria, Yugoslavia	2.5	64.1	16-27
Centralized planning	North Korea, Cuba	1.6	42.5	20-25

Table 2

LABOR MARKET IN CIS (APRIL, 2000)

Country	Number of registered unemployed (thousand of people)	Number of declared vacancies (thousands of people)	Number of unemployed per 1 vacancy
Azerbaijan	45.8	5.4	8.5
Armenia	207.9	0.9	231.0
Belarus	97.8	43.7	2.2
Georgia	104.6	1.5	69.7
Kazakhstan	288.1	9.5	30.3
Kyrgyzstan	77.3	1.9	40.6
Moldavia	36.7	1.6	22.9
Russia	1405.2	671.8	2.1
Tajikistan	60.2	8.5	7.1
Turkmenistan	-	-	-
Uzbekistan	47.9	32.3	1.5
Ukraine	1267.4	58.1	21.8
Total	3638.9	835.2	4.3

Table 3

Indicators	Uzbekistan	High human development countries	Average human development countries	Low human development countries
Annual population growth rate, as %, 1975-1998	2,0*	0,7	1,7	2,7
Urban population, as % of total population	37,8	78,1	41,7	27,8
HDI	0,697	0,908	0,673	0,421
Real GDP per capita, (PPP$)	2829	21799	3458	994
Literacy level of adult population, %	99,15	98,8	76,3	48,1
Life expectancy, years	70,3	77	66,9	50,9
Coefficient of infant mortality, per 1000 life birth, 1995-2000	21,8**	7	51	105
Coefficient of maternal mortality, per 100 000 life birth, 1990-1998	21**	11,6	24,5	52,0
Number of tuberculosis cases, per 100.000 people (1997)	54,8	18,4	68,1	78,7
TV sets per 1000 people (1998)	73	621	193	37
Internet host-portals per 1000 people (1998)	0,01	40,97	0,24	0
Total spending on education, as % of GDP	7,4	5,0	4,1	2,5
Total spending on public health, as % of GDP	3,6	6,2	2,3	1,3

*   1990-1998
**   1998
Source: Ministry of Macroeconomics and Statistics, Global Human Development Report, 2000

Source: Human Development Report, Uzbekistan 2000

CER, UNDP Tashkent, Uzbekistan 2001

Table 4

	1990	1995	1996	1997	1998	1999
Total population						
Both genders	69,3	70,2	70,2	70,25	70,3	70,3
Men	66,1	67,8	67,8	68,1	68,2	68,2
Women	72,4	72,6	72,7	72,7	73,0	73,1
Urban population						
Both genders	69,3	71,5	71,5	71,5	71,6	71,6
Men	65	69	69	69,1	69,1	69,1
Women	73,2	73,9	74	74	74,1	74,2
Rural population						
Both genders	69	69,1	69,1	69,3	69,5	69,5
Men	66,4	66,7	66,7	66,8	66,9	66,9
Women	70,7	71,4	71,4	71,4	71,6	71,6

Source: Ministry of Macroeconomics and Statistics, Republic of Uzbekistan

Source: Human Development Report, Uzbekistan 2000

CER, UNDP Tashkent, Uzbekistan 2001

Table 5 .

Indices	1991	1995	1996	1997	1998	1999
Birth rate	34,5	29,8	27,3	26	23	22,3
Mortality rate	6,2	6,4	6,2	5,9	5,8	5,3
Natural Increase rate	28,3	23,4	21,1	20,1	17,2	17,0
Total fertility rate	4,2	3,6	3,3	3,1	3,0	2,8
Infant mortality rate	35,5	26	24,2	22,8	21,9	20,2
Prenatal mortality of Infants	8,3	5,6	5,0	4,6	4,2	4,1
Death rate at birth	12	7,7	7,2	6,9	6,4	6,2
Maternity mortality	33,3	18,9	12	10,5	9,6	14,6
Mortality of children under 5		42,5	40	37,8	36,7	32,6
Mortality of children under 14		3.2	2,9	2,7	2,5	2,1

Source: Ministry of Health; statistical hand-outs "Natural movement of the population of the Republic of Uzbekistan in 1996-1998", "The Family in Uzbekistan"; Ministry of Macroeconomics and Statistics, Republic of Uzbekistan

Source: Human Development Report, Uzbekistan 2000

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Table 6

Public expenses for education in Uzbekistan (without capital investments)					
Indices	1995	1996	1997	1998	1999
Budget expenses for education (bln.soum)	21,5	42,87	71,1	104,2	158,9
Share of public expenses for education in GDP, as %	7,1	7,67	7,28	7,36	7,76
Share of public expenses for education in total budget expenses, as %	21,77	21,16	22,41	22,31	24,12

Source: Ministry of Finance, Republic of Uzbekistan

Source: Human Development Report, Uzbekistan 2000

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Table 7

Basic indices of social and economic development, 1991-1999						
Indices	As % against the previous year (adjusted for inflation)					
	1992	1995	1996	1997	1998	1999
Gross domestic product	88,9	99,1	101,7	105,2	104,3	104,4
Industrial output	93,3	100,1	102,6	104,1	103,6	106,1
Gross agricultural production	93,6	102,2	94,4	105,8	104,1	105,9
Investments into fixed assets	68,0	104,0	107,0	117,0	115,0	102,0
Retail turnover	59,0	95,7	122,2	112,6	114,2	110,5
Paid services to the population	57,4	73,0	109,8	121,4	110,3	113,0
Population number	102,3	102,0	101,9	101,8	101,5	101,5

Source: Ministry of Macroeconomics and Statistics, Republic of Uzbekistan

Source: Human Development Report, Uzbekistan 2000

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Table 8

Table 1. Human development index	1995	1996	1997	1998	1999
Life expectancy at birth (years)	70,2	70,2	70,25	70,3	70,3
Adult literacy rate (%)	98,96	99,06	99,13	99,15	99,16
Mean years of schooling (years)	11,4	11,4	11,4	11,4	11,4
Literacy index	0,990	0,991	0,991	0,992	0,992
Schooling index	0,76	0,76	0,76	0,76	0,76
Educational attainment	2,74	2,74	2,74	2,74	2,74
Real GDP per capita ($PPP)	2440	2508	2670	2829	2994
Life expectancy index	0,753	0,753	0,754	0,755	0,755
Educational attainment index	0,895	0,895	0,896	0,897	0,897
GDP index	0,387	0,398	0,425	0,439	0,466
Human development index (HDI)	0,679	0,682	0,692	0,697	0,706
Urban	0,698	0,699	0,708	0,716	0,725
Rural	0,666	0,670	0,677	0,687	0,696
GDP per capita rank minus HDI rank	-	-	13	-	19
HDI rank	104	-	92	106	-

Source: Human Development Report, Uzbekistan 2000

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Table 9

Table 7. Urban and rural demographic profiles					
	1995	1996	1997	1998	1999
Population (millions) at the end of the year					
Total	22,9	23,4	23,8	24,2	24,5
Urban	8,8	8,9	9,0	9,1	9,2
Rural	14,1	14,5	14,8	15,1	15,3
Annual population growth rate (%)					
Total	2,0	1,9	1,8	1,5	1,5
Urban	1,1	1,3	1,3	1,1	0,9
Rural	2,5	2,3	2,1	1,8	1,8
Average family size					
Total	5,4	5,4	5,5	5,6	5,5
Urban	5,2	5,0	4,7	4,7	4,6
Rural	5,6	5,9	6,0	6,1	6,1
Contraceptive prevalence rate (%)	38,2	42,7	45,1	57,8	56,1
Population elder working age (%)					
Total	7,6	7,6	7,6	7,6	7,6
Urban	9,5	9,4	9,4	9,4	9,2
Rural	6,5	6,5	6,5	6,5	6,4
Life expectancy at age 60 (years)					
Total	15,3	15,3	15,4	15,5	15,5
Urban	17,5	17,5	17,6	17,7	17,7
Rural	13,5	13,5	13,8	14,1	14,2
Men					
Total	11,3	11,3	11,9	12,0	12,0
Urban	13,3	13,3	13,5	13,5	13,5
Rural	9,5	9,5	9,7	9,8	9,8
Women					
Total	19,3	19,5	19,6	20,0	20,2
Urban	21,5	21,6	21,7	21,8	22,0
Rural	17,3	17,4	17,3	17,7	17,7

Source: Human Development Report, Uzbekistan 2000

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Table 10

Table 11. Employment					
	1995	1996	1997	1998	1999
Labor force (as % of total population)					
Total	37,4	37,5	37,3	37,2	37,0
Urban	17,5	18,0	17,9	17,8	18,1
Rural	19,9	19,5	19,4	19,4	18,9
Engaged (as % of total population)					
In agriculture					
Total	41,2	40,9	40,4	39,4	36,2
Urban	1,3	1,6	1,6	1,5	1,4
Rural	39,9	39,3	38,8	37,9	34,9
In industry					
Total	12,9	12,9	12,8	12,7	12,7
Urban	11,4	11,5	11,4	11,3	11,3
Rural	1,5	1,4	1,4	1,4	1,4
In services					
Total	23,7	24,0	26,9	26,7	23,0
Urban	16,4	17,3	20,2	20,2	20,4
Rural	7,3	6,7	6,7	6,7	8,7
Future labor force replacement ratio (%)					
Total	240	224	219	218	216
Urban	191	177	175	175	174
Rural	274	258	252	248	243
Percentage of employees unionized	100	100	100	100	100
Weekly working hours (per person in manufacturing)	40	40	40	40	40
Expenditure on labor market programs (as % of GDP)	0,5	0,4	0,3	0,4	0,4

Source: Human Development Report, Uzbekistan 2000

CER, UNDP Tashkent, Uzbekistan 2001

Table 11

Table 12. Unemployment	1995	1996	1997	1998	1999
Unemployed (thousand people)					
Total	31,0	33,9	35,4	40,1	45,2
Urban	14,1	15,4	16,5	18,3	16,5
Rural	16,9	18,5	18,9	21,8	28,7
Unemployment rate, (%)					
Total	0,4	0,4	0,4	0,5	0,5
Urban	0,4	0,4	0,4	0,4	0,4
Rural	0,4	0,4	0,4	0,5	0,6
Regional unemployment disparity (the bottom 25 % of all regions compared to the top 25 %), times	2,1	2,0	2,0	2,1	1,7
Ratio between the number of unemployed and secondary and higher school graduates in current year	5,5	6,9	7,5	8,7	8,0
Male	3,8	4,3	5,4	6,4	5,2
Female	7,7	10,1	9,8	11,4	10,9
Incidence of long-term unemployment (as % of total)					
-6-12 months	5,5	5,0	4,5	6,4	8,8
-more than 12 months	2,9	2,4	1,8	1,7	3,5

Source: Human Development Report, Uzbekistan 2000

CER, UNDP Tashkent, Uzbekistan 2001

Table 12

Table 21 Population density and rural population % by regions

	01.01.98		01.01.99		01.01.2000	
	Population density (people per sq.km)	Rural population (as % of total)	Population density (people per sq.km)	Rural population (as % of total)	Population density (people per sq.km)	Rural population (as % of total)
Uzbekistan	53,4	62,1	54,0	62,4	54,8	62,4
Karakalpakstan	8,9	51,8	8,9	51,7	9,0	51,6
Region:						
Andijan	505,0	70,0	513,7	70,1	522,0	69,8
Bukhara	35,2	68,0	34,9	68,7	35,3	68,8
Djizzak	45,3	68,7	46,0	68,9	46,2	69,4
Kashkadarya	73,2	74,2	74,2	74,4	75,9	74,5
Navoi	7,0	59,4	7,0	59,5	7,1	59,5
Namangan	235,9	62,2	256,3	62,4	260,8	62,4
Samarkand	158,3	72,2	156,9	72,6	159,5	72,8
Surhandarya	80,3	79,9	84,9	80,0	86,6	80,0
Sirdarya	127,9	69,1	132,0	68,6	150,2	67,7
Tashkent[1]	286,0	59,1	288,6	59,4	290,1	59,6
Fergana	365,9	71,0	393,9	70,8	399,4	70,7
Khorezm	203,0	75,6	213,3	76,0	217,4	76,1

[1] Including Tashkent-city

Source: Human Development Report, Uzbekistan 2000

CER, UNDP Tashkent, Uzbekistan 2001

Table 13

Table 20. Human development index by regions

	Life expectancy	Life expectancy Index	GDP Index			Educational level			HDI		
			1997	1998	1999	1997	1998	1999	1997	1998	1999
Republic of Uzbekistan	70,3	0,76	0,425	0,439	0,466	0,896	0,897	0,897	0,692	0,697	0,706
Karakalpakstan	69,98	0,75	0,247	0,271	0,310	0,896	0,896	0,896	0,631	0,639	0,652
Andijan	70,16	0,75	0,408	0,414	0,434	0,886	0,886	0,886	0,682	0,684	0,691
Bukhara	70,74	0,76	0,436	0,500	0,606	0,885	0,886	0,886	0,695	0,716	0,751
Djizzak	72,22	0,79	0,320	0,314	0,351	0,950	0,950	0,950	0,686	0,684	0,696
Kashkadarya	69,08	0,73	0,443	0,413	0,380	0,896	0,896	0,896	0,691	0,681	0,670
Navoi	72,57	0,79	0663	0,572	0,620	0,894	0,896	0,896	0,783	0,753	0,769
Namangan	70,12	0,75	0,300	0,280	0,300	0,908	0,908	0,908	0,653	0,647	0,653
Samarkand	70,37	0,76	0,292	0,350	0,381	0,887	0,887	0,888	0645	0,665	0,675
Surkhandarya	70,10	0,75	0,275	0,340	0,342	0,890	0,891	0,890	0,639	0,661	0,661
Syrdarya	69,74	0,75	0,489	0,415	0,483	0,888	0,888	0,888	0,708	0,683	0,706
Tashkent	70,18	0,75	0,468	0,484	0,493	0,892	0,892	0,892	0,704	0,710	0,713
Fergana	70,31	0,76	0,464	0,449	0,484	0,889	0,889	0,889	0,702	0,698	0,709
Khoresm	70,93	0,77	0,447	0,455	0,491	0,898	0,898	0,898	0,703	0,706	0,718
Tashkent city	70,37	0,76	0,740	0,835	0,876	0,936	0,936	0,936	0,811	0,710	0,856

Source: Human Development Report, Uzbekistan 2000

CER, UNDP Tashkent, Uzbekistan 2001

Table 14

	Total			Urban			Rural		
	Both sexes	Male	Female	Both sexes	Male	Female	Both sexes	Male	Female
Population aged 15 and older	14704,7	7203,6	7501,0	6038,9	2922,4	3116,5	8665,8	4281,3	4384,5
Literacy rate (percentage of illiterate population to population aged 15 and older, difference from 100 %)	99,20	99,23	99,09	99,71	99,71	99,71	98,78	98,90	98,65
Literacy index	0,992	0,992	0,991	0,997	0,997	0,997	0,988	0,989	0,987

Source: Human Development Report, Uzbekistan 2000

CER, UNDP Tashkent, Uzbekistan 2001

Table 15

Table 23. Average family size

		1989			1999	
	Total	Urban	Rural	Total	Urban	Rural
Uzbekistan	5,5	4,7	6,2	5,5	4,6	6,1
Karakalpakstan	6,6	6,2	7,1	6,4	6,1	6,7
Regions:						
Andijan	5,9	5,2	6,2	5,9	5,9	5,9
Bukhara	5,1	4,4	5,7	5,2	4,4	5,6
Djizzak	6,2	5,1	6,8	5,9	5,3	6,2
Kashkadarya	6,0	5,2	6,4	6,0	5,1	6,3
Navoi	-	-	-	5,1	4,7	5,4
Namangan	5,6	5,4	5,8	5,8	5,6	5,9
Samarkand	5,8	4,8	6,3	5,6	4,4	6,1
Surkhandarya	5,9	4,9	6,1	5,8	5,1	6,2
Syrdarya	5,4	4,5	5,9	5,7	4,9	6,0
Tashkent	5,1	4,3	6,0	5,3	4,7	5,7
Fergana	5,5	4,6	6,1	5,7	5,2	5,9
Khorezm	6,9	5,9	7,4	6,4	5,5	6,6
Tashkent-city	4,2	4,2	-	3,6	3,6	-

Source: Human Development Report, Uzbekistan 2000

CER, UNDP Tashkent, Uzbekistan 2001

Table 16

Table 24. Life expectancy at birth (years)

	1995	1996	1997	1998	1999
Total					
Both sexes	70,2	70,2	70,25	70,3	70,3
Men	67,8	67,8	68,1	68,2	68,2
Women	72,6	72,7	72,7	73,0	73,1
Urban population					
Both sexes	71,5	71,5	71,5	71,6	71,6
Men	69,0	69,0	69,1	69,1	69,1
Women	73,9	74,0	74,0	74,1	74,2
Rural population					
Both sexes	69,1	69,1	69,3	69,5	69,5
Men	66,7	66,7	66,8	66,9	66,9
Women	71,4	71,4	71,4	71,6	71,6

Source: Human Development Report, Uzbekistan 2000

CER, UNDP Tashkent, Uzbekistan 2001

Table 17

COMPARISON OF TWO SYSTEMS

CHARACTERISTIC	USA	JAPAN
A. Basic organizing principles		
1. Dominant factor of production	capital	labor
1. Reliance on price-mediated markets	high	lower
1. Supply relationships	arms'-length, price driven	close, enduring
2. Industrial groups	absent	extensive
3. Extent privatized	very high	very high
B. Regarding capital markets		
1. Market organization	anonymous, securitized	personal
1. Nature of banking system	advanced, marketized, fragmented	traditional, personal, more concentrated
2. Role of stock market	important	unimportant
C. Regarding labor markets		
1. Job security	low	high
1. Labor mobility	high	low
1. Labor-management relations	adversarial	cooperative
1. Pay differentials	large	small
D. Inside the firm		
1. Main goal of the firm	profits	growth, market share, stable employment
2. Role of top managers	boss = "king" autocratic	rule by consensus
3. Importance of outside directors	minor	none, except main banks
E. Government policies		
1. Role of government	limited, adversarial	extensive, cooperative
1. Anti-monopoly	strong	weak
1. Openness to trade	open	less open
1. Industrial targeting	little	more