

## UZBEKISTAN LABOR CAPITAL AND WAYS OF THEIR EFFECTIVE USE

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**Annotation.** The article discusses the importance of labor capital in the country's economy, the current state of the country's labor capital potential and ways of its effective use. The article also reveals the essence of the education system in the formation of modern labor capital.

**Key words:** Labor capital, science, knowledge, labor potential, labor resources, income, attestation, qualification, dismissal, education system.

**INTRODUCTION.**In his address to the Oliy Majlis and the people of Uzbekistan, the President of the Republic of Uzbekistan Shavkat Mirziyoyev spoke about the construction of New Uzbekistan based on the principle of a "social state" and said, "A social state means, first of all, equal opportunities for the realization of human potential, creation of necessary conditions for people to live a decent life, and reduction of poverty." he noted.

Also, President Sh.M. Mirziyoyev emphasized in the Address that "...progress can be achieved only through hard and courageous work."

Indeed, any result is a product of human labor. With the development of human society, work changes from simplicity to complexity. The more complex the work, the higher the requirements for the employee's skills, knowledge, experience and responsibility.

**MAIN PART.**In the explanatory dictionary of the Uzbek language, man-man, human, capital-derived from the German words "capital" and Latin "capitalis" and means "a set of wealth, funds, assets, tools used for self-proliferation, which brings profit and income to its owner." means

Academician K.Kh. Abdurahmonov believes that "human capital is more important than natural resources, material wealth and tools, human capital consists of the stock of knowledge, skills, and abilities formed as a result of investments, and it reflects the physical, mental, and psychological qualities and abilities of a person." .

Economists A. Olmasov and A. V. Vahabov say, "If the term "capital" means the value that brings additional value to its owner, then "human capital" is human abilities that bring income. Human abilities are the basis of human capital.

As P. Druker noted: "Business is an organization, and the decisive factor in its existence or non-existence is the competence of its employees. But knowledge is a unique human resource. Science cannot be found in books. Only information can

be found there; but knowledge is the ability to apply information in a specific field of activity."

**RESULTS AND DISCUSSIONS.** Academician S.G. According to Strumilin's calculations, skilled labor is 2-3 times more productive than ordinary labor and, accordingly, is paid 2-3 times higher on the tariff scale. Investments in improving and maintaining the skills and abilities of a person bring direct income to both the worker and the enterprise. The problem of labor and human capital limitation remains.

In our opinion, additional productive power and skill growth of skilled labor can become labor capital as a separate type of human capital. At the same time, observations show a decrease in the share of skilled labor in manual work and an increase in the share of workers in mechanized work.

Labor capital in enterprises is embodied in the labor of skilled workers, and their share depends on the technology used. The higher the percentage of labor technology, the higher the requirements for working capital. Improvement of technology, transition to new technologies requires investments in training and retraining. In the US, firms invest more than \$30 billion a year in employee development. General Electric alone invests more than 100 million dollars in working capital every year.

Most businesses try to save costs for everyone. Many enterprises limit themselves to on-the-job training rather than vocational schools and industrial training centers. However, narrowly focused specialized training does not provide adequate skills, which leads to increased production waste, rework, increased wear and tear of equipment, accidents, downtime, and repair costs.

It can be noted that the number of labor resources in the country increased by one and a half times during the period of analysis, the change of indicators increased by 203.57% in the city, and by 120.37% in the rural areas. It can be noted that the economically active population increased by 166.11% in the country, by 201.04% in the city, and by 135.92% in the rural areas, while the economically inactive population increased by 126.48% in the country, by 213.82% in the urban areas, and by 89.29% in the rural areas. . The analysis shows that the situation with labor resources is more active in urban areas than in rural areas.

The analysis of the data in Table 2 shows that during the period of analysis, the number of labor resources in the country increased by one and a half times, and it can be noted that the change of indicators increased by 203.57% in urban areas and by 120.37% in rural areas. It can be noted that the economically active population increased by 166.11% in the country, by 201.04% in the city, and by 135.92% in the rural areas, while the economically inactive population increased by 126.48% in the country, by 213.82% in the urban areas, and by 89.29% in the rural areas. . The analysis shows that the situation with labor resources is more active in urban areas than in rural areas.

Table 1

## Economic analysis of components of labor resources of Uzbekistan

Indicators	2000	2005	2010	2015	2020	2021	Change in 2021 compared to 2000, ( %, +,-) at
Labor resources	12469,0	14453,2	16726,0	18276,1	19158,2	19334,9	155,06
relative to the permanent population, in percent	50,6	55,2	58,6	58,4	56,0	55,4	+4,80
including:							x
able-bodied population of working age	12245,4	14263,7	16533,9	18167,7	19075,7	19237,6	157,10
relative to the permanent population, in percent	49,7	54,5	57,9	58,0	55,7	55,1	+5,40
in relation to labor resources, in percent	98,2	98,7	98,9	99,4	99,6	99,5	+1,30
workers under and over the working age	223,6	189,5	192,1	108,4	82,5	97,3	43,52
workers under and over the working age	0,9	0,7	0,7	0,4	0,2	0,3	-0,60
in relation to labor resources, in percent	1,8	1,3	1,1	0,6	0,4	0,5	-1,30

This is primarily due to the fact that there are more jobs in the city than in the rural areas, and subsequently, the urbanization processes are becoming more active. The number of people employed in the economy during the analysis period in the country is 150.71 percent. The growth of employment in the economy lags behind the growth of labor resources (155.14-150.71)=4.43 percent. This, in turn, requires further acceleration of the creation of new jobs in the country.

When we make an economic analysis of the components of labor resources in the labor market of Uzbekistan based on the , the number of labor resources in the analysis period is 4.8% compared to the total population, the number of able-bodied population of working age is compared to the total number of labor resources (157.10-155.06) =2.04 percent increase can be positively evaluated. It can be noted that during the analysis period, the number of workers under and over the working age decreased by 43.52%, by -0.6 coefficient compared to the permanent population, and by -1.30 coefficient compared to the total number of labor resources. This situation indicates that the level of socio-economic well-being of the population in the country has increased.

Also, when we analyze the changes in the volume of the country's gross domestic product at current prices, it can be noted that the share of the employed in

the economy has increased significantly compared to the economically active population. 74.1% of the population of Uzbekistan (2021) is an economically active population, and 8-9% of it belongs to the category of highly qualified specialists. (In Germany this indicator is 56%, in the USA - 43%).

At the same time, there are vacancies in some sectors of the economy, and overemployment in others. One of the reasons for the uneven distribution of labor resources is that the personnel training system in universities and vocational schools does not meet the requirements of the economy.

According to the research, there is a disproportion between the specialization of highly educated personnel being trained around the world and the labor market's demand for specialized personnel, and more than 30 percent of the personnel being trained today are considered to have specialties that are not needed for the market. By 2050, this figure is expected to increase by 70 percent.

Another reason: the great differentiation of wages contributes to the outflow of personnel from low-paid sectors of the economy. If the country does not create an effective system of training and retraining based on the needs of the economy, there is a high probability that structural unemployment will remain in the labor market for a long time.

**CONCLUSION.** Labor capital is formed as a result of the accumulation of experience, work skills, abilities and, most importantly, education. Education is the main condition for the reproduction of skilled workers.

Assessment of labor potential is traditionally carried out by employees according to skill categories. Today, a single tariff set consisting of 22 levels has been developed in Uzbekistan. When certifying the production of workers, the complexity and quality of the work performed, experience (term of service), equipment and responsibility for other workers (masters) are taken into account.

By itself, qualification is an integral part of labor capital, which represents the level and type of professional fitness of an employee. It is clear from the experience of not only local but also foreign countries that people with a high level of education are employed in complex work and have a high income. The relationship between a person's level of education and income is observed in the same way in all countries. This shows that it is not only useful to get an education, but it is also useful to invest in it, because education has a direct impact on labor productivity and production efficiency in general.

In any modern society, special attention is paid to education. When investing in the formation of labor resources, it should be remembered that these investments are several times more effective than investments in any other factors of production. For example, in the United States, the increase in public education provides 15% of the increase in national income. Considering that 6-7% of the

GDP is allocated to the education sector, it can be seen that the investment in education is highly effective.

Uzbekistan is a potential country in Central Asia in terms of population, and 40 percent of the continent's labor resources are citizens of Uzbekistan. The main task before us is to improve the quality indicators of labor resources in the "year of attention to people and quality education". Increasing funding for education as an investment in working capital should remain a state priority.

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