
WORLD EXPERIENCE OF SOCIAL PROTECTION OF THE POPULATION IN THE CONTEXT OF ECONOMIC CRISES

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Annotation

The article looks at the concept of social protection of population in a state of crisis and the development of ways the mechanism of social protection, which makes research topic relevant.

The scientific article gives scientific definitions to such categories as "social protection", "social policy" by various scholars and authors. In addition, the article groups social protection programs, summarizes and comprehensively, analyzes the theoretical and scientific approaches to improving their effectiveness.

Having done an extensive analysis of the research materials, the author makes a conclusion about the urgency strengthening measures for social protection of the population in order to avoid further economic recession.

Keywords

Population, social protection, social security, social programs, development of the human factor, labor, income, social policy, social assistance, socio-economic relations, a layer of the disabled population, consumer protection, consumer society, globalization, living standards of the population, Covid-19, economic crisis.

Introduction

According to economists, the development of the human factor of production will be achieved as a result of further increasing the efficiency of the economy, as well as the development of solutions to any social problems. If we consider the human factor in the context of social protection problems, the market-based system of social protection of the population performs such functions as ensuring social stability, as well as maintaining and developing human potential. For this reason, it is natural that the uneven development of socio-economic relations in the country becomes one of the serious problems that negatively affect the development of the human factor.

The expansion of globalization processes will lead to further improvement of economic relations between the countries of the world. In particular, as a result of globalization there will be the formation and expansion of transnational corporations, their various forms of international associations, a relatively high level of international production cooperation and division of labor, further strengthening of international economic organizations. In general, the processes of

globalization are a qualitative stage in the development of the world economy as a whole economic system, opening up new opportunities. However, it would not be right to absolute the process of globalization and look at it one-sidedly. Because this process has both positive and contradictory aspects. One of them is the inevitable impact of socio-economic shocks in one country of the world on other countries, and the financial and economic crisis of 2008 is the result of globalization.

“This crisis began with the crisis in the mortgage lending system in the United States. Then the scale of this process expanded, the liquidity of large banks and financial institutions, that is, the solvency weakened, turned into a financial crisis. The indexes and stocks of the largest companies in the world’s leading stock markets have led to a catastrophic drop in market value. All this, in turn, has led to unemployment and other negative consequences associated with a sharp decline in production and economic growth in many countries.¹

It is clear that the economic crisis in the country can lead to various negative consequences, including an increase in the number of unemployed and a decrease in living conditions. can cause

Main part

2008 defined the role of the “mortgage bubble” as “a trigger that simply leads to the rupture of a larger bladder”. It appears that the crisis, which initially manifested itself in U.S. mortgage markets, was the result of an acceleration in the practice of issuing mortgage loans to borrowers who were insolvent and whose ability to repay debts was questionable. Although mortgages are essentially real estate loans, U.S. markets have become sufficiently “saturated” with such liquid real estate and their prices have begun to fall sharply. In addition, the growth of investment banks' operations on securitization of assets, which is a new financial "product" in the US mortgage markets, has led to a decline in mortgage markets. As a result, in 2004-2006, the Federal Reserve raised interest rates to 6.25%. The increase in lending rates has led to a decrease in the population's demand for mortgages and a reduction in borrowers' repayments. On the other hand, rising food and energy prices have limited the population’s ability to repay loans.

Between 2000 and 2007, world food prices more than doubled and gasoline prices more than 3.5 times higher. Oil prices have risen above \$ 147 a barrel. As a result, in early 2007, the problem of repayment of mortgage loans in the United States increased. Banks' re-sale of real estate by insolvent customers has led to a sharp drop in prices in the mortgage market.²

It should be noted that the main reason for the global financial crisis is a sharp imbalance between financial resources and real output. It is known from the laws of money circulation that for a healthy and stable economy to operate, a certain ratio must be observed between the money supply and the real volume of production of goods and services. However, the processes of internationalization and globalization of national economies also affected the functioning of

¹Volgin N.A. Japanese experience in solving economic, social and labor problems. - M.: DAO Publishing House "Economics" 1998, -S. 300..

²Global Weekly Commentary - BlackRock Official Site. Financial crisis 2008 causes and effects.

money circulation, leading to a weakening of compliance with this law, first in some countries, such as the United States, and then in many countries, and then ignored it altogether.

Many experts acknowledge that the global financial crisis and the intensification of the economic crisis can lead to recessions and economic downturns, limited investment activity, declining demand and international trade, and serious social losses affecting many countries around the world.

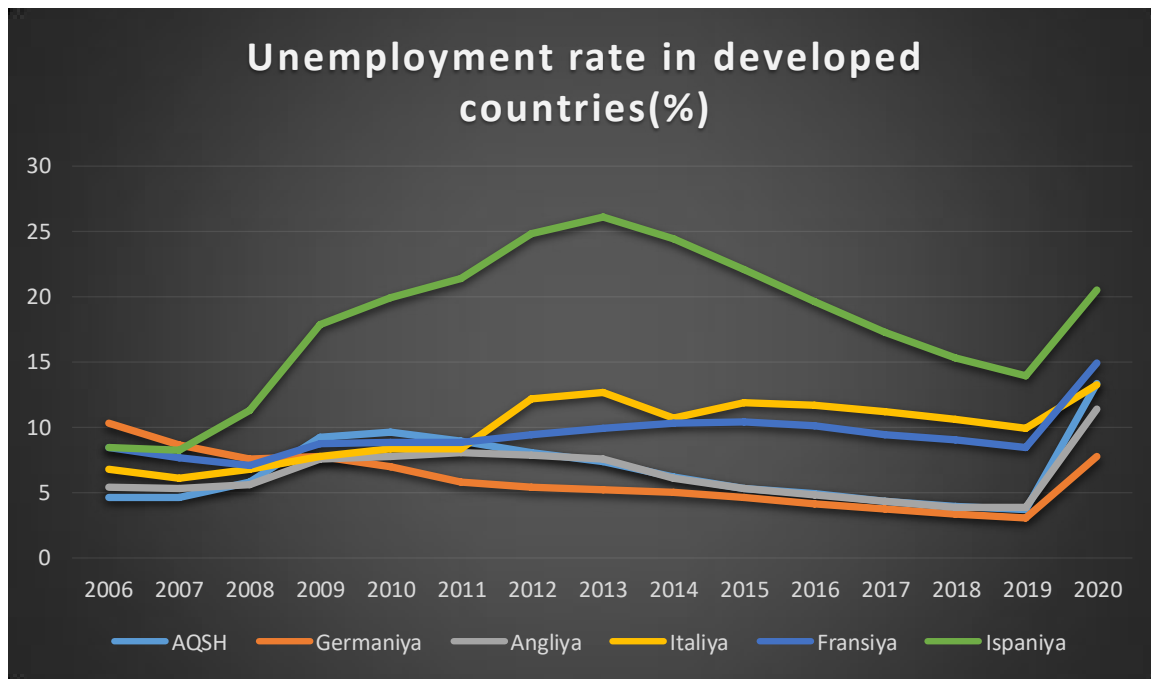


Figure 1. Unemployment rate in developed countries³

From the above data, we can see that the unemployment rate varies from country to country in different years. Even the global financial and economic crisis, which peaked in 2006 and 2008, has had a different impact on unemployment in these countries. This is due to the fact that the origin of the crisis depends on the economic problems and the importance of the industry in which the problem arises in the economy of each country. According to a recent report by the U.S. Department of Labor, the country's economy lost 20.5 million jobs in April, bringing the total unemployment rate to 14.7 percent. This, in turn, is the highest since the Great Depression of the 1930s.⁴

It is known that at the end of 2019, the coronavirus pandemic spread around the world and had a serious impact on the socio-economic situation of the countries. As a result, the number of patients in many countries has been steadily rising, leading to declining living conditions.

The Kovid-19 pandemic, or MERS SoV, actually started in the Middle East and began to spread to South Korea. Since no vaccine has yet been developed in the initial period, the number of deaths in these countries has been increasing.

³Paul Hannon, paul.hannon@wsj.com; dowjonesteam@1prime.biz Dow Jones Newswires, 07.07.2020, 15:03

⁴U.S. Department of Labor. 2020. May 7.

On March 11, 2020, the World Health Organization announced that the Kovid-19 pandemic had spread around the world. The impact of the pandemic on international trade as well as the global economy has been enormous.

Some of Germany's major trading partners have been hit hard. Foreign trade relations are a key indicator of economic development. The German economy is export-based, which is why it is dependent on exports. But imports also play an important role in the German economy to improve the level of internationalization of products in the market.

The impact of the Korona pandemic on the Chinese economy has drawn public attention to Germany's trade relations with the People's Republic of China. It is of great importance when it comes to imports from Chinese manufacturers and consumer goods. It was the country that imported the most goods in 2019. In terms of total foreign trade volume, China has been Germany's most important trading partner for four years. In 2019 and earlier, the most important direction of German exports will be the United States, which, like China, is one of the countries most affected by the pandemic.

Given that the first wave turned into a real tsunami, killing three and a half million people in three months (April to June) and even destroying the health care systems of developed countries, the impact of the first wave on the world was greater than the second.

Prior to the start of the second wave, states had fully studied the disease and were preparing for a wave that was likely to start again. In the United Kingdom, for example, the Traffic Light System has been developed, according to which public areas are divided into 3 groups according to the degree of risk of coronavirus disease, and separate quarantine restrictions have been developed for each group. In short, as the world prepared for the second pandemic, the first wave caused all the major changes in the world.

The epidemiological situation in India is consistently appalling: 82,000 new cases and more than a thousand deaths per day. The total number of deaths from Kovid-19 in the country is approaching 100,000. In total, more than 34 million coronavirus cases have been reported worldwide, 25 million people have been cured and more than a million have died. In the first half of the year, pandemic measures dealt a serious blow to the Irish domestic economy, but strong exports by multinational companies contributed to the decline in real GDP. Employment is protected by government revenue support schemes. Economic contractions and financial stimulus are expected to significantly widen the budget deficit. Risks from a global perspective remain very high.

The level of investment in the Northern Ireland economy (and the UK in general) has been a problem for a long time and was low before the KOVID-19 outbreak, with the scope for significant reductions in the future likely to be relatively limited. Investment accounts for about 15% of Northern Ireland's gross domestic product.

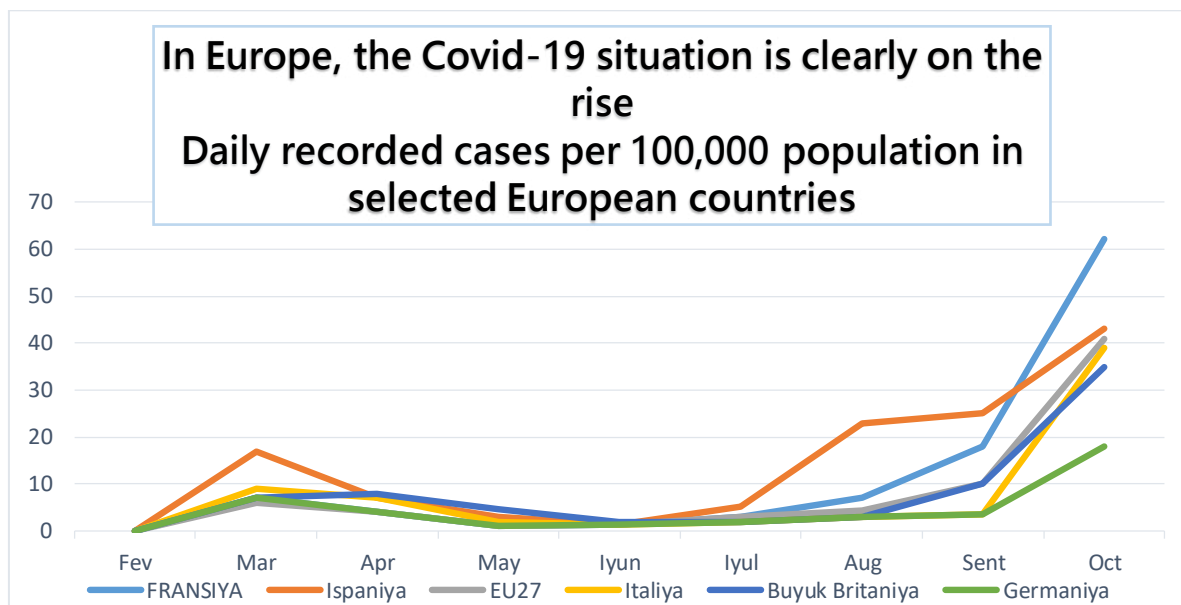


Figure 2. Status of Kovid-19 in Europe⁵

A preliminary assessment of how resistant the European health system is to the COVID-19 pandemic, their data on the number of patients infected with Kovid-19 on a monthly basis, and their ability to respond to them was presented. They provide information on the main indicators of the health system of 27 EU member states, 5 candidate countries, 3 countries of the European Free Trade Association and the United Kingdom. The selection of indicators is mainly based on a short list of key health indicators in Europe.

According to a new study in the UK, nearly 100,000 people are infected with the virus every day, with researchers warning that “something needs to change”.

The highest morbidity rates were in France and Spain. In Germany, the lowest positive rate was observed. Although the infection rate in Germany is lower than in many parts of Europe, the rate of virus spread in recent weeks has worried Berlin. Earlier, German Chancellor Angela Merkel said her country should “act now” and called for “major national efforts” to combat the spread of the coronavirus. The picture shows that with the easing of quarantine restrictions, the number of cases has risen sharply since September.

EU labor markets are under heavy pressure. The first half of the year saw an unprecedented decline in employment. The rapid implementation of important support measures, such as short-term employment schemes, in all member states has so far prevented mass layoffs, secured household incomes, and raised unemployment to a moderate level. The abolition of the short-term work schedule led to more losses in employment. Instead of the expected economic recovery next year, employment is expected to decline slightly. and the unemployment rate in the EU is expected to rise from 7.7% this year to 8.6% next year before falling to 8.0% in 2022. World commodity sales recorded the sharpest decline in the second quarter, down 14.3% from the previous period, but the impact was sharply different across regions. For comparison, there was no such sharp decline in Asian exports, ie only 6.1%. During the same period, imports fell by 14.5% in North America, 19.3% in Europe and only 7.1% in Asia.⁶

⁵<https://www.worldometers.info/coronavirus/country/uk/>

⁶<https://www.worldometers.info/coronavirus/country/uk/>

How has income affected poverty around the world during the KOVID-19 era? We may never know the full answer. Poverty data are usually obtained from surveys conducted among households, and for obvious reasons it is not possible to conduct relevant research in the current context in many countries. KOVID-19 had a negative impact on people's incomes and led to an increase in the number of poor people. but the poverty rate has dropped significantly. From Figure 4 above, we can see that while the poverty rate was 9.2% in 2015, by 2019 the figure had dropped to 8.4%. According to experts, this figure will remain for at least 3 years and will reach \$ 1.90 per day. is expected to form.⁷

Emerging market economies (EMEs) and lower-income emerging economies are generally too vulnerable to the KOVID-19 pandemic. In many countries, health care, finance, and social security systems are very weak, with limited monetary policy, and especially tax policy. At the same time, weak economies are suffering from lack of access to international capital markets. During a pandemic, global debt may increase, due to a decrease in investment.

The introduction of a "17-day quarantine regime" against KOVID-19 infection in 2020 in the Kingdom of Wales in the United Kingdom indicates an improvement in the situation in the country.

In the initial part of the quarantine procedure, that is, from September 1 to September 14, the number of people cured of the Kovid-19 virus on both indicators (daily new cases and 7-day average) was 8-10. However, as of October 26, the number of people cured of the virus had increased significantly as a result of the blockade (120 and 80). In the end, we can see from the November 9 level that the average number of healers in 7 days exceeded the number of daily healers.

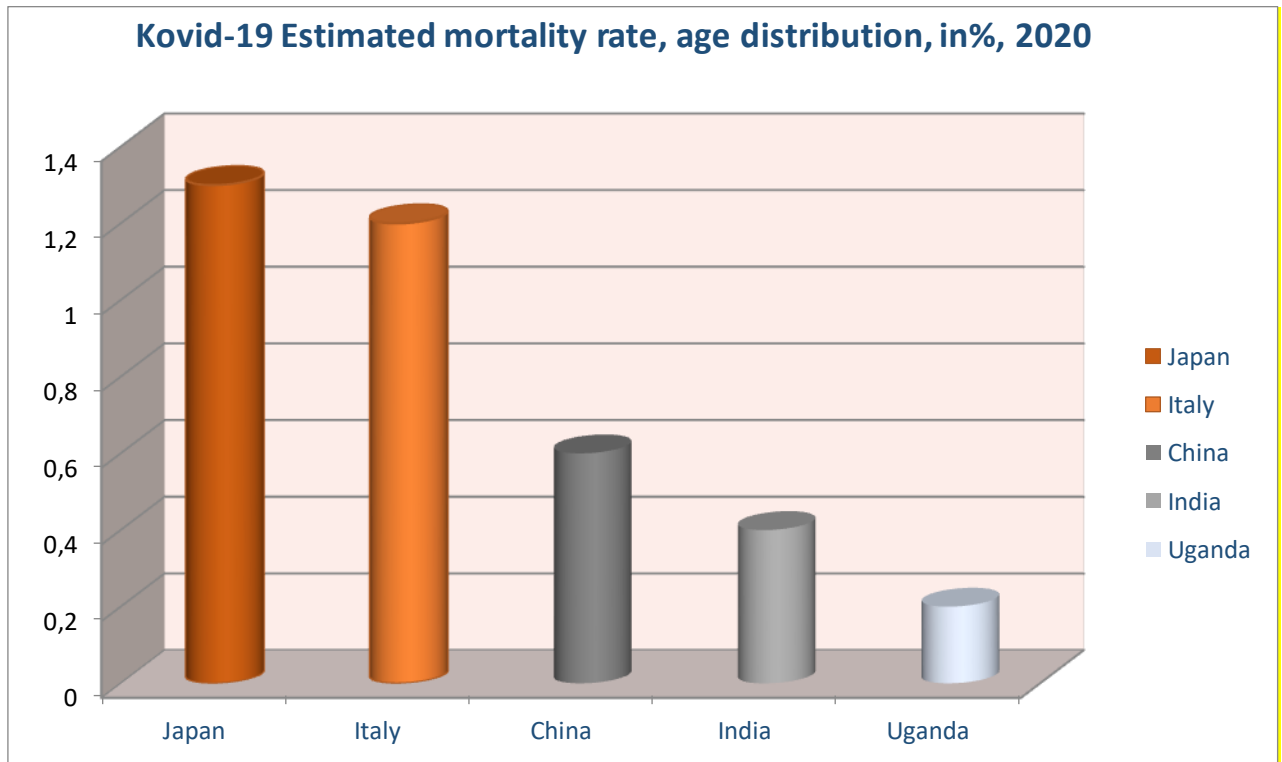


Figure 3. "Estimated mortality rate associated with Kovid-19"

⁷<https://www.worldometers.info/coronavirus/country/uk/>

The researchers identified dozens of factors that could increase people's chances of dying from Covid-19, including hypertension, diabetes and obesity. But the biggest risk factor is that people over the age of 60 are twice as likely to die from Kovid-19 than those over 50; The death rate among 70-year-olds is still high. In fact, the risk of dying from the disease doubles every eight years. This helps to explain why older, richer countries are worse off than expected in a pandemic, younger, poorer countries.

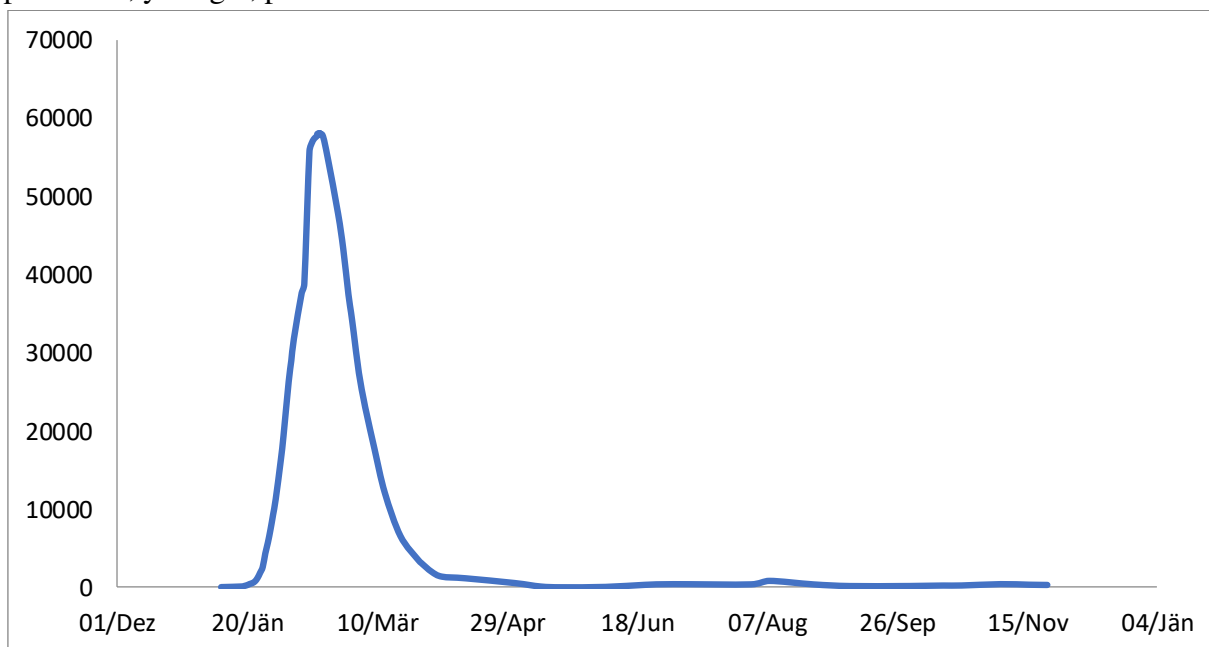


Figure 4. Dynamics of the situation with Kovid-19 in the People's Republic of China

The data in the figure have a monomodal (single peak) appearance, and the number of daily cases increases sharply from January to mid-February. The situation on February 17 was the highest during the period, with a figure of 58,019. Since February 18, the growth dynamics has been declining sharply from the turning point, and since March 27, it has been declining from 3,128 cases to the initial minimum. There have been no sharp increases since April. China reported 42 newly confirmed cases, including 9 imported cases (4 cases in Shanghai, 2 cases in Beijing, 1 case in Tianjin, 1 case in Hunan, and 1 case in Guangdong) and 33 local cases (22 cases in Heilongjiang, 10 cases in Jilin, and 1 case in Hebei); no new deaths; no new suspected cases. There were 16 new asymptomatic infections (6 cases imported from abroad); 891 cases of asymptomatic infection are still under medical observation (297 cases imported from abroad). Despite being the first place to be hit by COVID-19, China was well-placed to tackle the disease. It has a centralised epidemic response system. Most Chinese adults remember SARS-CoV and the high mortality rate that was associated with it. “The society was very alert as to what can happen in a coronavirus outbreak”, said Xi Chen (Yale School of Public Health, New Haven, Connecticut, USA). “Other countries do not have such fresh memories of a pandemic”. Ageing parents tend to live with their children, or alone but nearby. Only 3% of China's elderly population live in care homes, whereas in several western countries, such facilities have been major sources of infection.⁸

⁸<https://www.worldometers.info/coronavirus/country/chine/>

Results and Discussions

To estimate the country's vulnerability to Kovid-19, The Economist of the United Nations combined population data with disease mortality rates (XFR). The second was assessed using data from Brazil, Denmark, England, Sweden, Italy, the Netherlands, Spain, Switzerland, and the United States. Based on these data, we calculated an age-appropriate IFR: if a randomly selected person from that country dies from Kovid-19, the probability of death would be similar to the medical care available in model countries.

Currently, the Chinese model is showing the most effective results in the fight against the Kovid-19 pandemic around the world. The following tools are mainly used in this country:

- Localization. Control of disease foci;
- Regulation of population behavior through digital technology;
- Support of government measures by the population.

The following is the dynamics of cases related to Kovid-19 among the population of the People's Republic of China from January 2020 to the present.

The crisis of 2020 has affected all countries of the world, that is, it has affected the way of life of mankind, because it arose not on the basis of economic sectors, but on the basis of a biological problem that affects human life. The working principles of the countries have realistically assessed the level of reliability of management mechanisms in the social sphere, including the health system. He checked on everyone to what extent the population is living a healthy lifestyle. The focus on the human factor affects not only the economy, but also the smallest elements in the system of governance of societies and states.

This study showed that no country in the world had a Covid 19 pandemic. This means that every country must constantly work on a clear program to protect against various pandemics and natural disasters. It is necessary to support all segments of the population, especially low-income families, sick children and single pensioners.

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