



WAYS OF MITIGATING THE NEGATIVE CONSEQUENCES OF THE GLOBAL CRISIS CAUSED BY THE PANDEMIC IN THE CONDITIONS OF UZBEKISTAN AND SOCIAL-ECONOMIC SUPPORT OF THE POPULATION

Sadikova Muslima

Tashkent State University of Economics, Tashkent, Uzbekistan

ABSTRACT

The economic crisis caused by the Covid-19 virus in the conditions of Uzbekistan. Given the high probability of the recurrence of such a pandemic in the future, proposals and recommendations have been made to implement measures to ensure the elasticity of the economy and provide social-economic support of the population in the conditions of Uzbekistan during the global crisis. In this article suggestions and recommendations are given based on personal research of the author and the results of the research is actual nowadays.

KEY WORDS: *Crisis, economy, pandemic, virus, quarantine, budget deficit, distance learning, Capital, profitable business coefficient, commercial banks, borrow, currency flow, credit, income, trade.*

INTRODUCTION

It is known to all of us that the global economic crisis, which began in 2020 year, occurred because of the SARS COVID-19 virus that originated in China. The virus, which appeared in the province of Wuhan in China, has rapidly spread from the epidemic to a global pandemic in a short period of time, covering from China to the whole world.

Until now, if economic crises are caused by the nobility of various financial instruments, then the occurrence of the crisis in the current period is completely based on unusual factors.

The difference of this crisis from others is that this is caused by the human factor, consciously intending to maintain the health of mankind, States had to give up temporary economic income.

In many countries, quarantine measures were used, and even in some cities curfew was implemented. That is, the borders of almost all countries were closed, international and municipal flights were suspended. In particular, the major trade centers, educational centers, sports facilities, entertainment facilities, household services, construction materials, clothing and commodity markets have been temporarily suspended in

Uzbekistan. People were only given permission to leave the house to buy food and medicines.

The International Monetary Fund (IMF) is comparing widespread pandemic in 2020 year to the war and predicts that its "war" period will last from at least one quarter to two quarters. According to the experts of the foundation, the fight against the coronavirus crisis requires the implementation of measures "during the war".

In the framework of the support of the population, economic sectors and entrepreneurship, comprehensive measures are being implemented in the tax-budget and monetary policy areas.

In particular, the total amount of loans allocated by commercial banks to tourist operators, hotel business entities, transport-logistics companies and other enterprises of the tourism network, as well as to economic entities that have faced financial difficulties due to restrictions imposed on foreign trade operations is 5 trillion. The payment of sums of debts (without calculating penalty sanctions) was allowed no later than October 1, 2020. Because, the introduction of restrictions on the movement of people in quarantine conditions and the temporary cessation of the activities of some enterprises put pressure on commercial banks, and representatives of



the population and entrepreneurship are facing problems with Credit payments.

The International Monetary Fund (IMF) is comparing widespread pandemic in 2020 year to the war and predicts that its "war" period will last from at least one quarter to two quarters. According to the experts of the foundation, the fight against the coronavirus crisis requires the implementation of measures "during the war".

The recommendations made by the IMF in such difficult conditions testify to the fact that these measures carried out by the central bank in a timely, purposeful and agreed manner are of great importance for the country's exit from the coronavirus crisis without great losses. After all, IMF experts recommend that central banks should have clear and understandable communication with commercial banks in order for them to be active in re-planning payments on credit portfolios for borrowers and economic sectors who suffered serious but temporary shocks during the crisis. Also, in such a difficult situation, the regulator argues that the task should be to ensure that banks continue their lending activities to the economy, taking into account the capital and liquidity buffers. 4,7 trillion soums, which should be repaid by individuals and individual entrepreneurs in April-September 2020. loans in the amount of sum are overdue.

Under the chairmanship of the president of the Republic of Uzbekistan Shavkat Mirziyoyev, on March 19, a decree was adopted on measures in the first place to mitigate the negative impact of the coronavirus pandemic and global crisis events on economic sectors. According to the document, the anti-Crisis Fund is formed, in which 10 trillion soums (more than \$1 billion US dollars or 1.5 percent of GDP) are formed. The importance and timely implementation of the above measures will help to mitigate a certain amount of negative economic consequences.

Therefore, the measures implemented in our country to combat coronavirus and loans to legal entities faced with financial difficulties due to a sharp decline in economic activity amounted to 7.9 trillion overdue amounts and an additional 7 trillion restructuring of payments in sums.

MATERIALS AND METHODS

According to the information of the Ministry of Employment and Labor Relations of the Republic of Uzbekistan, an estimated 5.5 million people are considered to be employed in the informal sector. At present, the number of those who receive an official salary in the economy is 5,6 million, while the number of people who are able to work is 19 million. That is, with people who receive an official salary,

the number of informal items (mostly people who earn on a daily basis) is almost the same. And the negative impact of such crises is more pronounced in the working people, mainly in the informal sectors.

The official telegram channel, organized in cooperation with the Ministry of health of the Republic of Uzbekistan, the Union of youth of Uzbekistan and the public foundation for support and development of the National mass Media, announced on April 2, 2020 at 20:40, "How long you can use your savings?" more than 467000 people (312000 in Uzbek and 155000 in Russian) participated in the questionnaire. Close to 40 percent of those who answered, "I do not have savings." It can be concluded from the questionnaire that in the long-term crisis, the provision of primary consumption of the population is one of the urgent tasks of the ruling.

In Uzbekistan, all those undergoing coronavirus treatment, suspects and those in quarantine, are treated free of charge, at the expense of the state budget. An average of 32 million sums is spent on each patient of the average condition, and 62 million sums are spent on the patient in serious condition.

For each of the quarantined citizens, 2.4 million sums are spent for the 14-day quarantine period, and 2.8 million sums are spent for rehabilitation.

The US government has also adopted a \$ 2.2 trillion assistance program to help families and businesses who are temporarily unemployed, in need of help due to the economic crisis that the pandemic brought. According to him, from \$1200 dollars a month for each unemployed person, the allowance was reduced to a bank account in the amount of 500 dollars for children or transferred to their owners in the form of a check. So, a family of 4 people with two children was given \$3400. 26 million people applied for unemployment benefits. This is even higher indicator than the period of the Great Depression.

In India (almost the same income as in Uzbekistan), the issuance of funds for \$7 for two weeks to the layer of the needy population is being established.

The current population of India is 1,383,382,213 and the population of Uzbekistan is 34 191 700 as of Thursday, October 1, 2020, based on Worldometer elaboration of the latest United Nations data.

RESULT AND DISCUSSION

It is known from the history that developing countries in relation to developed countries are more likely to suffer in such economic crises. Because the country's foreign exchange revenue from exports will



decrease, the price of imported products will rise sharply, the capital flow from developed countries will stop.

Taking into account this fact, the following personal suggestions and recommendations will serve to mitigate the negative consequences of the crisis in Uzbekistan:

- Provide material assistance to families in need, temporarily unemployed (in the form of a plastic card of funds);
- Support local production, free import substitution tenders from VAT and excise taxes;
- Simplification of formalization of medicines and exemption from customs duties;
- To establish innovative structures in the education system, in particular in distance learning in schools, academic lyceums, colleges and institutions of higher education, to create national platforms for organizing distance lectures and seminars;
- Implementation of virtual journals in the assessment of students and students, monitoring to ensure the transparency of the assessment;
- Organize Faculties of distance learning in all higher educational institutions;
- To evaluate the useful coefficient of employees not depending on the time of arrival and late departure of the work place, but on the efficiency of work, to ensure that those who do not have to be in the workplace work from home and create the necessary conditions and technical support of the worker;
- Obtaining credit from commercial banks, ensuring the online implementation of formalities.

CONCLUSION

Taking into account the fact that in the future such pandemics are likely to come and return and have a negative impact not only on the economy of the country, but also on the world economy, the implementation of the above proposals and recommendations during the crises will serve to socio-economic support of the population of Uzbekistan.

REFERENCES

1. *uzbekistonovozi.uz-Newspaper "Voice of Uzbekistan"*
2. *Coronavirus Info-Corona virus website of the Republic of Uzbekistan*
3. *www.mehnat.uz-website of the Ministry of Employment and Labor Relations of the Republic of Uzbekistan*
4. *Genesis of the Financial crisis-Roderick Macdonald-2012*
5. *The return of depression economics and the crises of 2008-Krugman P. New: W. W. Norton & Company Ltd, 2009*