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# SOCIAL SECTOR REFORM AND THE PROBLEM OF POVERTY IN THE COUNTRY

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> https://doi.org/10.5281/zenodo.5716295 ABSTRACT

#### **ARTICLE INFO**

Received: 05th November 2021 Accepted: 10th November 2021 Online: 15th November 2021 This article discusses the problem of poverty in the social sphere and the economic and social aspects of poverty eradication.

#### **KEY WORDS**

social sphere, poverty, inequality, market system, income, poverty rate, market economy.

Introduction. The problems that exist in the social spheres today, as a universal phenomenon, are inherent qualifications in the world. Due to the difference in economic development, poverty is different and has a relative meaning. Poverty alleviation. prevention of poverty, the promotion of decent living, their entrepreneurial aspirations, the creation of favorable conditions are the kev to the implementation of economic reforms that are taking place today. While income inequality is a sign of a market system, the presence of the poor in this system is an objective phenomenon. Therefore, poverty cannot be eradicated, but its scale can be reduced. Because poverty undermines the health, ability to work and scientific potential of a nation. It will also result in a

reduction in the state budget and a sharpening of political processes.

Main part. The level of poverty is inversely proportional to the overall level of the economy. Therefore, while poverty is low in countries with strong economies, it is high in countries with weak economies. Poverty rates fluctuate with economic growth. There are many aspects of poverty in our country, which are interconnected in a strong circle, and today it is especially important to study its socio-economic aspects.

Results and discussion. A number of scholars have conducted research on the problem of poverty, the factors influencing it, and reduction. In particular, Nobel Laureate Amartia Sen of the United States and Europe, Michael Kremer of the United States and Abhidit Banerjee of Indian



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descent and his wife Esther Duflo, Danish scientist Gesta Esping-Anderson, American scientist Jeffrey Sachs, B. Scientific research on poverty problems has been conducted by Sebom Rauntri, Angus Stuart Diton6 and other scientists. The market economy that has dominated developed countries for has demonstrated many years continues to demonstrate inequality-based distributional relations. Under conditions, it has become natural for some economic entities to increase their profits and gain a higher position in the market, while for others, production does not meet market requirements, loses in competition, suffers crises and collapses. In turn, in such a system of economic relations, along with the elimination of unjustified economic activities, there is a choice of other new economic activities.

As the distribution in market relations is built on inequality, the incomes of the members of society are also uneven, creating a fair and unjust inequality that we see natural and social causes in the process. It is well known that people are naturally different physically and mentally. Their work ability, knowledge, skills, abilities are reflected in the unity of business. But there are also aspects in which a person's ability to mature, develop, and emerge depends on social causes. In society, a person must be literate, capable and engaged in work in accordance with the acquired skills, in general, to engage in useful activities. The stratification of people's incomes, on the other hand, has also led to differences in living standards, and has manifested itself differently in different countries. The problem of poverty and wealth has existed since time immemorial and has always caused social problems and conflicts. Hence,

as long as there is income inequality in a market economy, this in turn leads to property inequality, resulting in wealth and poverty becoming a reality. A number of scholars have conducted research on the problem of poverty, the factors influencing it, and poverty reduction. In particular, the works of Nobel Laureate Amartia Sen detail the need to achieve well-being, the causes of poverty, knowledge to reduce poverty, public health and longevity, disease-free and other opportunities for people. Nobel Prize-winning scientists were also awarded in 2019 for their research on global poverty reduction. These are Michael Kremer of the United States and Abhidit Banerjee of Indian descent, and his wife, Esther Duflo, who have implemented social innovations to identify and eradicate poverty. In 2015, Stuart Ditton. an American economist who won the Nobel Prize for his analysis of consumption, poverty and welfare, said that in order to formulate economic policies that promote economic development and reduce poverty, each consumer must first know how to choose, income and population in difficult times. analyzed the relationship consumption levels. The problem of poverty has been studied by the Danish scientist EspingAnderson, the American scientist Jeffrey Sachs and other scientists in connection with the problems of the existing socio-economic system as well as the well-being of the population. There are various opinions and definitions in the economic literature todav aimed revealing the content of the poverty category. In particular, in recent times, poverty has been largely determined by a person's ability to eat well or what kind of home they live in, mainly in terms of whether or not they have an income. But



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poverty is a much broader concept than income or the lack of calories that people take in. It is the deprivation of the opportunities and choices that are widely needed to live a long, healthy and conscious life and to achieve a good standard of living, freedom, dignity, pride and respect for others as well. Poverty is a situation in which the basic needs of an individual or family are greater than the resources available to sustain them. Economist N. According to Beknozov, poverty is when a person has insufficient funds for his basic needs, is relatively poor in property and other resources, and has a low level of material and spiritual needs. Poverty is measured through income indicators and consumption indicators are determined by statistical offices through a household survey. All poverty indicators are related to monetary equivalent of human consumption. Because people's consumption of various goods and services is primarily related to meeting their need for medical Well-known services. economists S. According to Fisher, R Dornbush, and R Schmalenzi, the poor are individuals and households whose incomes

are insufficient to meet society's needs within current consumption standards. While some families have the opportunity to survive physically, they are morally and culturally limited.

Conclusions. The above considerations are inherent in our view that poverty is the product of variable income inequality in a market economy and the relationship associated with other social, economic, medical and demographic processes, and the inadequacy of the basic necessities for human consumption. Of course, social relations, expressed through the category of poverty, cannot be imagined outside of human abilities and their application in economic life. It is known that a person, in addition to being a labor force, has the entrepreneurial ability, spiritual strength, realizes and reproduces them. Man's psyche, spirituality, interests, the need to satisfy needs motivate him to work, to take measures not to fall into helplessness. That is why man is engaged in economic activity and appears in the chain of economic relations as an "economic man".

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