European Journal of Business Startups and Open Society

Vol. 4 No. 4 (Apr - 2024): EJBSOS

http://innovatus.es/index.php/ejbsos

Some Issues of Female Employment in Modern Uzbekistan

Mavluda Abdullaeva

Abstract: This scientific article examines the main issues related to women's employment in Uzbekistan. Considering the contemporary socio-economic changes in the country, the author analyzes the impact of cultural, historical, and legislative aspects on female employment. The study is based on labor statistics analysis, surveys, and expert evaluations. The article discusses the problems of women's access to education, labor mobility, wage payment, as well as stereotypes and discrimination in the workplace.

Recommendations are proposed for the development and implementation of policies aimed at increasing the level of women's employment and creating a favorable environment for their professional development in Uzbekistan.

Keywords: Gender inequality, gender stereotypes, wage payment, labor market.

Introduction

Gender inequality highlights the imbalance that women face compared to men in various aspects of life, including the economy, social relations, and even safety. The stability of the labor market plays a key role in ensuring the well-being of both individuals and social groups in modern society. In this context, the participation of women is of particular importance. In today's world, the impact of expanding rights and opportunities for women and girls, which contributes to economic growth and development in various fields, cannot be underestimated. Therefore, issues of gender equality and women's rights occupy a central place in discussions about social justice and development.

Problem Definition and Justification of Its Relevance

The relevance of the topic under consideration is linked to a number of issues concerning female employment in the labor market of Uzbekistan. *Firstly*, despite the publication of research works, including articles, it can be noted that the problem in question is insufficiently studied both theoretically and practically. *Secondly*, in the context of contemporary economic instability, there is an acute need to develop measures to eliminate and prevent gender discrimination in its various manifestations in the labor market. *Thirdly*, due to the specific socio-economic conditions of modern society, it becomes necessary to identify the characteristics of female employment issues, which in turn will allow for the development of the most effective methods to combat gender discrimination in the labor market.

With the advancement of technological progress and changes in social structures, the range of professional opportunities for women is expanding. In Uzbekistan, there is a growth in the economic activity of women, driven by an increase in education and professional skills, as well as by rising material and moral needs, which require active engagement. The continuous expansion of rights and opportunities for women opens new horizons for utilizing their talents in various spheres of public life. State support, as evidenced by the decree of the President of the Republic of Uzbekistan "On Additional Measures to Strengthen the Family and Increase the Activity of Women" dated December 21, 2023, creates conditions for the development of sectors where women can apply their professional skills.

Despite significant achievements in the fight for gender equality, a number of problems and challenges remain relevant in the field of women's employment. These include inequality in wage payments between men and women, vertical and horizontal segregation by professions, gender-based discrimination, as well as imperfections in family and labor policies, which hinder women from combining professional activities with family responsibilities, among other factors.

The analysis of female employment issues occupies a special place not only from a social but also an economic perspective, where several obstacles faced by women arise:

- Employment in low-paid sectors**.** Women are often employed in sectors such as education, healthcare, and agriculture, which are less productive and therefore pay less.
- Unpaid labor**.** Women predominantly engage in household chores, caring for children, the home, and the elderly. This labor is not even accounted for in GDP calculations.
- Negative consequences associated with motherhood**.** In the labor market, women are at a disadvantage as employers consider the risk of potential maternity leave. Furthermore, a mother's income suffers from the inevitable pause in work after childbirth.
- Unequal access to education. In low-income countries, parents may restrict their daughters from pursuing higher education after finishing school, for example, through marriage. This reduces their competitiveness compared to men.
- Lack of support for balancing family and professional duties. Many women struggle to balance work and family life due to the lack of available childcare services and unsuitable work schedules.

Research Objective

Recent data underscore the magnitude of gender inequality in the labor market, highlighting the importance of increasing women's participation in employment and ensuring their expanded access to various work areas. Globally, for every dollar of labor income earned by men, women earn only 51 cents. In this context, the purpose of this article is to examine various aspects of the issue of female employment in modern society. The generalized objective of such research includes understanding the nature and scope of the issues, analyzing their causes and consequences, and developing practical recommendations and strategies for their resolution.

Analysis of Women's Participation in the Labor Market in Foreign Countries

Women, who make up half of the world's working-age population, contribute to the economy but still below their potential level. Full participation of women in the labor force could increase the global economy by 20 percent by 2025. Although the representation of women in the labor market reaches 50 percent of the maximum possible, this indicator has been declining over the past 20 years.

Eliminating the gender gap in the economy could lead to significant GDP growth in countries such as Germany, France, and Italy. Even halving this gap would result in substantial GDP growth.

Increased educational levels also play a key role in economic growth, particularly in countries of the Organisation for Economic Co-operation and Development (OECD) over the last 50 years, and women invest a significant portion of their income in their children's education, which has a potentially positive effect.

In the West, women often hold high positions in companies. In these firms, strikes are rare, and bankruptcy cases are less frequent. A female leader typically blends well with the team, is communicative, democratic, and maintains contact with employees, well-informed about current events in the company, and delves into all aspects of production. For example, in Canada, women own a third of all small and medium enterprises, creating more jobs than the top 100 largest companies combined in 1997.

In the USA, 40 percent of all firms are owned by women, and every fifth employed person works at such enterprises. Businesses owned by women in the USA have created 18.5 million jobs and annually contribute 2.3 trillion dollars to the country's economy.

Prominent American journalists Jessica Bennett and Jess Ellison note in their article "The World Will Be Ruled by Women," published in Newsweek, that currently in two-thirds of American households, women are already the "breadwinners" or one of the breadwinners. They emphasize that women occupy 75% of the 8 million jobs created since 2000.

Economists predict that in 2024, the average woman in the USA and several wealthy European countries will earn more than the average man. According to the recently published book "Influence: How Growing Female Economic Power Will Change Our World for the Better," women in the USA already control 83% of all consumer purchases, 89% of bank accounts in American banks, and 51% of all personal wealth. Their consumer spending exceeds $5 trillion, surpassing the size of the entire Japanese economy. Globally, women represent the largest emerging market in the history of the planet, twice as large as the markets of India and China combined.

According to statements from British human rights organizations, women suffer the most from economic recessions. Families affected by the recession are forced to discontinue the education of older daughters to help with household chores. In some countries, parents are forced to marry off their daughters at an early age to save money. For instance, estimates show that if the number of working women matched the number of working men, GDP would increase by 5% in the United States, 9% in Japan, and 27% in India. Although these estimates are approximate, they are significant and should not be ignored, especially in countries where potential growth is slowed by an aging population.

A greater number of reliable and well-paying jobs for women contributes to an increase in the overall per capita income level. For example, implementing gender equality policies in the employment sector in Turkey could increase per capita income by 22%. Similar increases could be achieved in other countries.

After analyzing data from the Organisation for Economic Co-operation and Development (OECD) on 95 countries that produce 97% of the world's GDP, it can be concluded that real gender equality in the world will not be achieved soon. It has not been achieved in any region of the world: in India, the Middle East, and South Asia, women contribute to about 20% of GDP, while in North America, this figure reaches 40%. However, in the top nine countries, the gap has been bridged by at least 80%.

The analysis shows that despite some achievements in advancing women in the labor market in Western and European countries, the reality remains harsh: the demand for female labor remains low, and its price is not high enough.

Iceland **Norway** **Finland** **New Zealand** **Sweden**





Fig.1 Countries that have closed the gender equality gap by 80%

Future forecasts are also bleak: anticipated economic growth will primarily require an increase in the number of male jobs, especially in raw material and manufacturing sectors. Therefore, a fundamental step to overcome the economic bases of gender inequality should be to revise the system of labor relations regulation in light of changes occurring in the modern post-industrial world.

Main Part

In the labor market, there are groups of workers who are typically seen as less competitive. These include older people, youth just starting their careers, migrants, and representatives of minorities, including women. Their competitiveness is usually rated lower than that of men on a number of key indicators. Despite this, there is a growing trend of labor and professional activity among women in the global labor market today, facilitated by the female share of the population. The World Bank has calculated where women predominate. The international organization summarizes population data every few years. The latest published data, as of 2022, recorded situations current at that time. Women make up a larger part of the population than men in most countries in the world. The World Bank calculated that there are more women than men in 121 out of 193 countries. On average, women account for 49.7% of the total global population. The highest share of female population in the world is in Armenia, where this figure reaches 55% (as for the Republic of Uzbekistan – the reverse process is observed here, with the female population share as of January 1, 2024, being 49.7%).

However, the female segment of the labor market still lacks a clear terminological and conceptual definition in both global and national contexts. According to the International Labour Organization (ILO), women still find it much harder to find employment than men. The report states that 15 percent of working-age women globally would like to work but do not have a job, compared to 10.5 percent of men. This gender gap has remained almost unchanged over two decades (2005-2022). Conversely, global unemployment rates among women and men are very close, as the criteria used to define unemployment typically disproportionately exclude women. The lack of jobs is particularly acute in developing countries, where the proportion of women unable to find work reaches 24.9 percent in low-income countries. The corresponding figure for men in the same category is 16.6 percent, which is also high but significantly lower than the figures among women.

Even when women constitute the majority in the labor market, the primary burden of personal and family care usually falls on them, which has a disproportionate impact. This not only hinders their ability to get a job but also to actively seek employment or be ready to start work at short notice. These reasons prevent them from being considered unemployed, so many women in need of work do not appear in unemployment statistics. It should be noted that there is gender and age discrimination in hiring. For example, an audit experiment conducted by the World Bank revealed gender and age discrimination in hiring in Uzbekistan, where "male" and "female" specialties predominantly exist, and employers in job advertisements directly specify requirements for gender, age, and appearance of applicants.

Today, the entire world is facing the issue of gender inequality, which costs trillions of dollars. According to estimates by analysts from Moody's agency, reducing the wage gap between men and women would add an additional $7 trillion to the global economy and increase global GDP by

7%. However, at the current rate of addressing this issue, reducing gender inequality could take approximately 132 years.

Over the last twenty years, the gender pay gap in the USA has narrowed by only 2%. For example, in 2002, women earned 80 cents for every dollar earned by men, while in 2022, this figure was 82 cents. However, compared to data from 40 years ago, the improvement has been 17 cents. Despite the positive trend, the narrowing of the gap has significantly slowed down recently.

According to the State Statistics Committee, in 2018, women's salaries in Uzbekistan were on average 39% lower than men's, and in 2022, the difference was 34%.

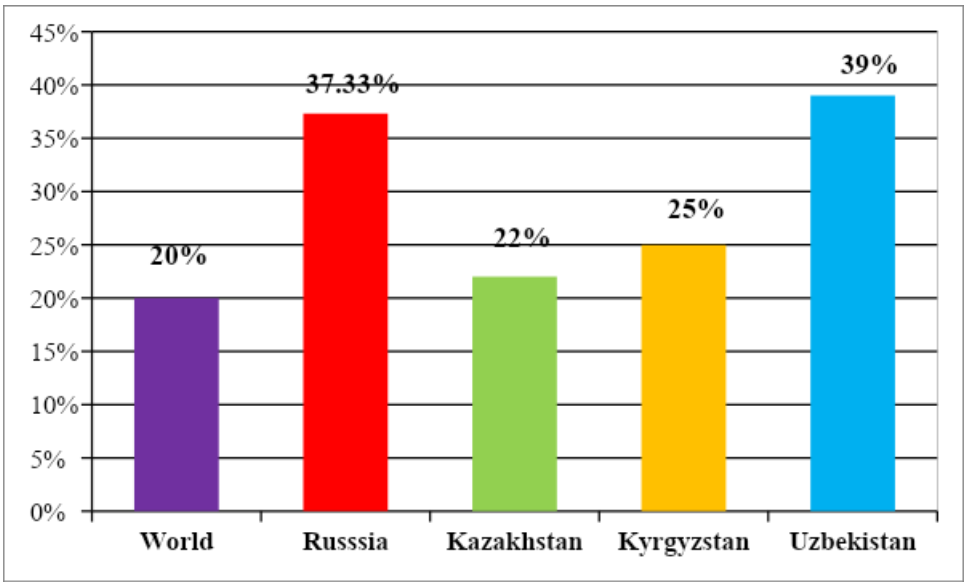


Fig.2. The gender pay gap between men and women

At the beginning of 2020, the World Bank revealed that women earn on average 23% less than men, yet they perform up to 76% of unpaid work. Calculations estimate this to be worth between 10 to 39% of the total global GDP, and the global economy loses approximately 15% of its GDP due to women's lag in employment and entrepreneurship.

Following the change of president in Uzbekistan in 2016, a significant period of social and economic reforms began. One of the main priorities of the new government was to change national employment policies to more effectively combat gender inequalities. This is an ambitious goal in a society where gender stereotypes are deeply rooted.

A series of legal changes introduced a new program. Under the National Development Strategy (for 2017-2021), an article was formulated that provides equal rights and opportunities for women and men. The President of Uzbekistan's decree, published in 2019, requires the government to eliminate restrictions on women's participation in all areas of the economy, expand their economic activity, and conduct informational campaigns to develop women's leadership and entrepreneurship. In 2019, the country's first law on gender equality was adopted, and in 2020, a national strategy for achieving gender equality for the period 2020-2030 was approved. Also in 2019, a law enacted in 1999, which prohibited women from working in more than 450 professions with unfavorable working conditions, was repealed. The new Labor Code of the Republic of Uzbekistan, which came into effect on May 1, 2023, prohibits employers from discriminating based on gender, age, appearance, place of registration, and other criteria when hiring. Violations of the law entail administrative liability. Equal rights and opportunities for men and women are guaranteed by the constitution and other laws of the country. Notably, according to the World Bank's "Women, Business and the Law 2024" index, Uzbekistan is among the top five countries with the most significant improvements.

The document assesses global progress towards gender equality in the legal sphere, which includes an index that evaluates the status of women in 190 countries, including Uzbekistan,

across 10 indicators: "safety," "freedom of movement," "employment," "wage payment," "marriage," "parenthood," "childcare," "entrepreneurship," "property management," and "pension provision." The latest issue of the report "Women, Business and the Law," assesses relevant changes in the legislations of countries from October 1, 2022, to October 1, 2023. During this period, only 18 countries worldwide, or less than 10% of those assessed in the index, implemented legal reforms that improved women's standings within the aforementioned indicators.

In total, these 18 countries carried out 47 reforms aimed at achieving gender equality. Specifically, in the Europe and Central Asia region, five economies, including Uzbekistan, Armenia, Azerbaijan, Cyprus, and Moldova, implemented nine such reforms. Uzbekistan, along with Jordan, Malaysia, Sierra Leone, and Togo, was among the top five countries that achieved the most success.

The ongoing work is evidence that today it is impossible to ignore the fact that women can successfully combine family duties with work. This is not only a necessity for women themselves but also a vital need for the state, family, and society as a whole. Working women play a key role in the workforce, and without their participation, the development and functioning of the economy are impossible. Therefore, it is not surprising that the President of Uzbekistan highlights women's employment in his initiatives.

In recent years, there have been significant changes in people's worldviews, including women and their families. In Uzbekistan, women constitute almost half of the working-age population and account for more than half of the total population of the country. The proportion of women among the economically active population exceeds 46 percent. Overall, the share of women in the economic activities of Uzbekistan looks as follows:

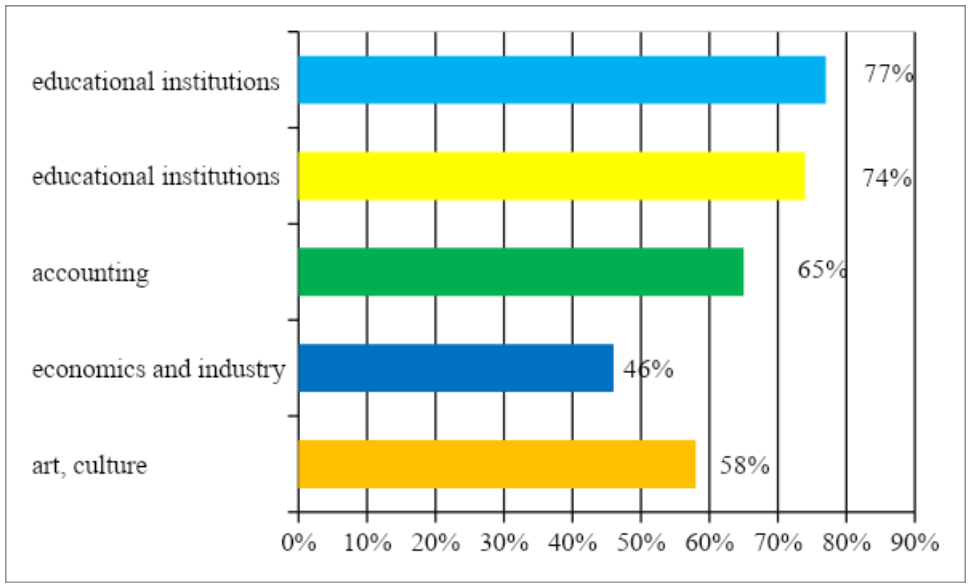


Fig.3. The share of women in Uzbekistan's economic activity

As it can be observed, the majority of women are employed in sectors such as healthcare, education, financial activities, etc. Significantly increasing the salaries of teachers and medical workers will likely further boost the number of women in these fields in the future.

Women are least likely to be employed in the mining industry (21%), heavy machinery manufacturing (19%), and the automotive business (17%) in Uzbekistan.

As Uzbekistan embarks on an innovative path of development, it is interesting to note that women are increasingly participating in the development of high-tech sectors of the economy. For example, from March 25-29, 2024, more than 3,000 girls participated in the IT event "Digital Generation Girls-2024," aimed at enhancing the role of girls in information technology, supporting their ideas and projects. The "Digital Generation Girls" project is intended to elevate the role of

women and girls in information technology and direct them towards modern professions, supporting their developed ideas and projects.

Recent hh.uz studies indicate that gender is becoming less significant in hiring, and the labor market is moving towards gender balance. Additionally, the COVID-19 pandemic has significantly changed the status of women in the labor market due to the introduction of remote work and flexible schedules. This has made it more convenient for women to combine work or side jobs with maternity leave, thereby achieving a balance between work and family life.

The "Uzbekistan 2030" strategy adopted in the country opens up new prospects and includes comprehensive measures to improve education and economic activity of women, ensure their rights and legal interests, increase their social, economic, and political activity, and achieve gender equality. It also aims to strengthen the role of women in state and public administration, small business, and private entrepreneurship. As of January 1, 2023, the number of small enterprises and microfirms led by women exceeded 39,000. According to the strategy, the proportion of women in leadership positions is expected to increase by 30%.

The reforms conducted in the Uzbek economy have provided certain opportunities for the fuller realization of women's economic potential. The government allocates substantial funds in this direction. To enhance economic activity, provide vocational training, and ensure women's employment, including their broad involvement in entrepreneurship, a total of 100 million US dollars in credit resources has been allocated for a period of 7 years, including a grace period of 3 years, at an annual interest rate of 14%.

Over the last five years, the number of female entrepreneurs has doubled to 205,000. Women make up 40% of entrepreneurs in the country. In 2023, more than 279,000 business projects were financed with credits totaling over 13 trillion UZS, and nearly 57,000 women were provided subsidies totaling 300 billion UZS. About 200,000 women received vocational and entrepreneurial training, and over 400,000 women and girls were employed. By allocating 6 trillion UZS in mortgage credits, more than 25,000 families were able to acquire housing.

In 2023, by allocating 1.23 trillion UZS based on the "Women's Notebook" system, the problems of almost 1 million women were resolved. Among bachelor's degree students, the proportion of women exceeds 50%, and in master's programs, nearly 60%. About half of the youth trained within the "One Million Programmers" project were women. As a result of such measures, the proportion of female entrepreneurs in Uzbekistan has been brought to 37 percent.

Conclusion

The analysis of conducted studies shows that issues of female employment remain relevant and require a comprehensive approach for their resolution. Despite some progress in promoting women in the labor market in some regions of Uzbekistan, there are systemic barriers that hinder the achievement of full equality. Women continue to face unequal opportunities for access to high-paying positions, lack of social support for balancing professional and family life, and discrimination in the workplace. These factors lead to female labor often not being properly valued and paid, creating inequality in the economic sphere.

Proposals for solving the problems of female employment:

- Strengthening the gender component in entrepreneurial legislation is an important aspect. Special attention should be paid to providing benefits and privileges for vulnerable groups of women, enabling them to successfully start their business and actively participate in high-tech sectors of the economy;
- Improving the coordination of actions and measures for the development of female entrepreneurship is necessary. One effective step could be the creation of a National Coordination Council for the Development of Female Entrepreneurship. This body would facilitate the coordination of efforts and resources aimed at supporting and developing entrepreneurial activity among women;

- To strengthen friendly relations in Central Asia, introduce a regional index for the development of female entrepreneurship within the framework of Central Asian business forums for women entrepreneurs. This index could include indicators such as the proportion of female entrepreneurs in various fields, the number of rural women engaged in entrepreneurial activity, and the number of women who have received preferential lending;
- Consider creating a unified digital platform for female entrepreneurs in Central Asia.

Only through joint efforts of society, government, business, and the active participation of women from various professional fields can progress be made in ensuring equal opportunities for all members of society in the labor market. This will require a comprehensive approach, including measures to change legislation, educational programs, corporate culture, and sociocultural norms.

LITERATURE

1. Abdulaeva Z.Z. Socio-economic issues of women's employment in the labor market. Issues of Economic Structurization-2012.-No. 3.
2. Abdullaeva M.S. "Woman in the labor market: Uzbekistan and world practice." International Journal of Advanced Science and Technology, June 20, 2020.
3. Agabekyan R.L. Modern Theory of Employment. Textbook for universities. 2016.
4. Bennett D., and Ellison D. Newsweek. "The World Will Be Ruled by Women." [Electronic resource] http://www.mqI5.com/
5. Buzgalin A.V., Kolganov A.I. Market and property: socio-economic lessons of the pandemic // Sociological Studies. 2020. No. 8. P. 145-157.
6. Mirziyoyev Sh.M. speech at the meeting on the discussion of the implementation of five initiatives, creating conditions for the upbringing and education of youth, increasing women's employment. T.: April 3, 2019.
7. Mirziyoyev Sh.M. "Raising the development of entrepreneurship to an even higher level – our priority task" speech at a meeting with entrepreneurs. T.: August 18, 2023.
8. Mirziyoyev Sh.M. "Five Initiatives of Sh.Mirziyoyev" T. "Uzbekistan," April 2019.
9. Mirziyayeva S.Sh. Speech at the final competition "Digital Generation Girls-2024" T.: March 29, 2024.
10. Global Employment and Social Outlook – Trends until 2021 / ILO. 2020. [Electronic resource]. URL: https://www.ilo.org/wcmsp5/groups/public/---europe/---ro-geneva/---sro-moscow/documents/
11. Starovoytova L.I. Population employment and its regulation. Textbook for universities. M: Social University, 2011.
12. Constitution of the Republic of Uzbekistan. T.: "Uzbekistan" 2023.
13. Labor Code of the Republic of Uzbekistan. T.: "Uzbekistan" 2023.
14. Decree of the President of the Republic of Uzbekistan "On the Strategy of Actions for the Development of New Uzbekistan for 2022-2026" dated January 28, 2022, No. UP-60.
15. Decree of the President of the Republic of Uzbekistan On the "Uzbekistan 2030" Strategy dated September 11, 2023, No. UP-158.
16. Decree of the President of the Republic of Uzbekistan "On measures to further strengthen guarantees of labor rights and support for women's entrepreneurial activity" No.PP-4235 dated March 7, 2019.
17. Decree of the President of the Republic of Uzbekistan "On additional measures to support the organization and development of women's entrepreneurship" dated March 7, 2024, No.PP-122.

18. State Program on ensuring the employment of women and college graduates, involving them in entrepreneurial activity, supporting women entrepreneurs of Uzbekistan. February 2017.
19. Official statistical data of the Organization for Economic Cooperation.
20. Official statistical data of the State Committee of the Republic of Uzbekistan. T.:2018,2024.
21. www.worldbank.org Report "Women, Business and the Law" March 2024.
22. https://news.un.org/en/ UN News Global Outlook. Human Stories. March 2023.
23. www.forbes.ru