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IMPROVING FINANCIAL LITERACY OF THE POPULATION OF UZBEKISTAN: PROBLEMS AND SOLUTIONS

Abstract. The article examines the current issues of financial literacy in society, identifying the main problems faced by citizens. The current state of financial literacy is analyzed, providing statistical data and specific examples. The article also draws attention to the role of education and government programs in solving the problem, offering specific recommendations for introducing elements of financial literacy into curricula and strengthening the role of the state in this process.

Keywords: financial literacy, financial education programs, financial education programs, investments, financial management, digital financial services, economic empowerment

Introduction

Financial literacy, which is able to ensure the material well-being of every household, is becoming one of the most important skills in human life. However, according to foreign and domestic research, the proportion of the population with adequate financial knowledge and skills is insignificant, which is a threat not only to the stable existence of households, but also to balanced macroeconomic development. An adequate level of financial literacy for a household contributes to rational family budget planning, reduces vulnerability during a crisis, helps reduce the risks of analyzing human deception by fraudsters and ensures the achievement

of life goals, it guarantees the development of financial markets, strengthens trust in financial institutions and contributes to the filling of the economy with additional investment resources of the state [1].

Let's consider what is meant by financial literacy, what components it consists of and what positive effects it has both for the individual's themselves and for society as a whole.

Analysis of the literature on the topic

Currently, the concept of financial literacy is closely correlated with such terms as financial education, competence, awareness, etc. [2].

The main difference between these concepts lies in their breadth of implementation and the depth of coverage of the main elements related to financial literacy. In more detail and, according to the author, quite competently, these concepts are covered in the article by O. Kuzina [3], initially the analysis of definitions was carried out by S. Huston [4], who, based on the analysis of 71 studies accumulated from 52 databases, identified some initial definitions related to financial literacy.

In all the analyzed definitions presented in the article by S. Huston, it can be seen that this is knowledge and skills (a set of competencies) in the field of finance.

It is necessary to highlight the official definition of financial literacy, which is presented in the OECD documents. Financial literacy is a set of elements such as awareness, knowledge, skills, attitudes (life orientations) and behavior that allows you to make informed financial decisions to achieve personal financial well-being¹.

Among other particular definitions that expand the understanding of financial literacy, it is possible to highlight the work of foreign colleagues who suggest that financial literacy has a positive impact on consumer incomes [5-7], however, there

¹ Measuring Financial Literacy: Core Questionnaire in Measuring Financial Literacy: Questionnaire and Guidance Notes for conducting an Internationally Comparable Survey of Financial literacy, Paris, OECD, 2011, 31 p.

is a point of view that indicates that financial literacy and education have a limited impact on financial results [8, 9].

Summarizing what has been said about financial literacy and concepts closely correlated with it, we will clarify the concept of financial literacy of an individual (personality) and interpret it as a set of competencies that allow making financially sound decisions to increase one's well-being, while it makes it possible to minimize losses, mainly financial and temporary.

Problems and possible solutions for improving financial literacy of the population in Uzbekistan

In Uzbekistan, as in many other countries, increasing the level of financial literacy of the population remains an urgent problem. Despite some improvements in this area, there are a number of problems that make it difficult to achieve the desired results.

Insufficient education in finance:

Limited access to educational programs. Specialized courses on financial literacy are often lacking in schools and universities in Uzbekistan. Many educational institutions do not provide sufficient knowledge about personal finance, investing and budget management.

Insufficient updating of educational programs. Training programs may be outdated and may not reflect the current requirements of the modern financial market. Perhaps there is a lack of consideration for new financial technologies and innovations in the field of personal finance.

Lack of practical skills. Financial literacy training is often limited to theoretical knowledge, without providing practical skills. There is a lack of practical cases and simulations that would help students apply their knowledge in practice.

The need to strengthen the role of educational institutions. Schools and universities can interact more actively with financial institutions, provide students with internship and internship opportunities. Developing partnerships between educational institutions and financial institutions to provide students with up-to-date information.

Specialized programs for the adult population. It is important to provide financial literacy education programs for adults that can be tailored to their level of understanding and specific needs.

Low awareness of financial instruments:

Limited access to information about various financial products and instruments.

Lack of investment culture and knowledge on how to choose the most appropriate financial strategies.

Cultural and language barriers:

The diversity of languages and cultures in a country can make it difficult to adapt educational programs and materials to different population groups.

The lack of personalized approaches to financial literacy education.

Limited access to banking services and lack of understanding of the benefits of using banking products:

Geographical restrictions. Some regions of Uzbekistan face limited availability of bank branches, which makes it difficult for the local population to access standard banking services.

Economic status. Limited access to banking services may be related to the economic status of the population. Low-income levels can make banking services inaccessible to certain segments of the population.

Lack of banking culture. A lack of understanding of how to use banking services can deter people from opening accounts and using financial instruments.

Possible solutions to the problems of improving financial literacy of the population in Uzbekistan

Insufficient education in finance:

Limited access to educational programs.

Solution: The introduction of specialized courses on financial literacy in school and university curricula.

Actions: Design and implementation of educational modules covering the topics of personal finance, investing and budget management. Creating financial literacy standards for inclusion in educational programs.

Insufficient updating of educational programs.

Solution: Regular updating of training programs taking into account modern requirements of the financial market and new technologies.

Actions: Creation of mechanisms for continuous monitoring and updating of curricula. Ensuring the inclusion of information on modern financial technologies and innovations.

Lack of practical skills.

Solution: Integration of practical learning elements into financial literacy curricula.

Actions: Development of practical cases, simulations and projects that will allow students to apply their knowledge in practice. Organization of master classes and workshops.

The need to strengthen the role of educational institutions.

Solution: Strengthening cooperation between educational institutions and financial institutions, as well as developing partnerships for knowledge sharing.

Actions: Creation of internship and internship programs in financial institutions. Organization of lectures and seminars with the participation of representatives of the financial sector.

Specialized programs for the adult population.

Solution: Development of educational programs adapted to the level of understanding and needs of the adult population.

Activities: Organizing courses and trainings for adults covering the basics of finance, budget planning, investing and retirement. Conducting information campaigns to attract the attention of the adult population.

Low awareness of financial instruments:

Limited access to information about financial instruments.

Solution: Development of information platforms and resources to provide access to objective and understandable information about various financial products.

Actions: Creation of web platforms and mobile applications that provide information about financial instruments. Conducting information campaigns on financial literacy.

Lack of investment culture and knowledge about financial strategies:

Solution: Learning the basics of investing and building a culture of financial responsibility.

Actions: Introduction to the curricula of investment courses. Organization of seminars, meetings with financial experts and successful investors. Creating educational resources explaining the benefits of various financial strategies.

Cultural and language barriers:

Solution: Adaptation of educational programs to a multilingual and multicultural environment.

Actions: Creation of educational materials in several languages. Educational programs that take into account the peculiarities of different cultures. Using a variety of learning methods to adapt to different learning styles.

Limited access to banking services:

Solution: Expanding the network of bank branches, especially in remote regions.

Actions: Attracting banks to expand their activities in regions with limited access. Implementation of mobile banking and financial services to improve accessibility.

The need to raise awareness about digital financial technologies:

Solution: Conducting educational campaigns on the use of digital financial instruments.

Activities: Organization of trainings and webinars on the use of mobile banking applications, online banking and electronic payments. Distribution of information brochures and promotional materials about digital financial opportunities.

Conclusion

The issue of improving the financial literacy of the Uzbek population is central to the strategy of sustainable socio-economic development of the country. An analysis of the problems facing society in this area allows us to identify key aspects that require attention and comprehensive solutions.

Insufficient financial education, limited access to information about financial instruments, cultural and linguistic barriers, as well as low availability of financial services – all these problems are interrelated and require a systematic approach to achieve positive changes.

The introduction of specialized courses on financial literacy into educational programs, the updating of educational materials, the development of information resources and educational platforms are the first steps towards the formation of financial literacy among young people and adults.

However, in addition to educational measures, it is necessary to actively develop financial infrastructure, ensure equal access to financial services in all regions of the country, as well as stimulate a culture of investment and informed financial management.

Cooperation between educational institutions, financial institutions and government agencies plays a key role in the successful implementation of financial literacy programs.

In general, investments in improving the financial literacy of society will not only raise the level of economic culture, but also ensure the stability and well-being of citizens, making the country more competitive in the global arena.

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