

CROWDFUNDING AS A TOOL FOR DEVELOPING FINANCIAL LITERACY AND ECONOMIC GROWTH

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ABSTRACT: This article examines crowdfunding as a modern tool for developing financial literacy among the population and stimulating economic growth. In our view, the use of crowdfunding platforms such as HALFANA and MFond.uz contributes to the development of entrepreneurial initiative, citizen engagement in socio-economic projects, and the enhancement of financial culture.

Keywords: financial literacy, economic growth, crowdfunding, MFond.uz, HALFANA, digital economy, investment culture, social entrepreneurship.

INTRODUCTION

The current socio-economic environment requires the search for innovative forms of financial interaction between the state, business, and society. In our opinion, one of these forms is crowdfunding — a system of collective financing that unites participants willing to invest in social, educational, and entrepreneurial initiatives.

The global experience of crowdfunding has shown that small contributions from a large number of people can create a significant economic effect, generating both financial and social capital.

In this context, financial literacy is understood not only as knowledge and understanding of financial instruments but also as the ability to apply them in practice — to assess risks, plan expenses, and participate in investment initiatives.

Financially literate individuals are better equipped to participate in innovative markets, evaluate entrepreneurial ideas, and support projects that align with sustainable development goals.

We believe that the development of crowdfunding projects in Uzbekistan strengthens the relationship between financial literacy and economic growth, as it helps citizens acquire practical skills of conscious economic participation.

Consequently, the dissemination of crowdfunding culture contributes to the creation of a more inclusive economy where every individual can play a direct role in national development.

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Research Methodology

The study is based on methods of analysis, synthesis, and comparative observation. It draws on data from the Ministry of Public Education of the Republic of Uzbekistan, materials from the crowdfunding platforms HALFANA and MFond.uz, as well as analytical reports by international organizations (OECD, World Bank) addressing the development of financial education and digital financing tools.

The research also employs a qualitative approach by examining real-world cases of crowdfunding initiatives and their impact on participants' financial behavior. Comparative analysis with international practices allows identifying the unique features of Uzbekistan's emerging crowdfunding ecosystem and its educational potential.

Results and Discussion

Crowdfunding as a Mechanism for Developing Financial Literacy

In our view, crowdfunding performs an educational function by enabling citizens to develop financial planning and investment skills through real participation.

Unlike traditional financial education methods, crowdfunding combines theory and practice, transforming passive learners into active decision-makers.

Engagement in crowdfunding projects contributes to:

- understanding the principles of fund allocation;
- evaluating potential risks and returns;
- increasing personal responsibility in financial decision-making.

Thus, crowdfunding becomes an effective tool for building financial and investment culture among the population.

The process of choosing, analyzing, and supporting projects teaches individuals to think critically, compare financial options, and calculate long-term effects of their actions.

This participatory model also enhances trust in financial systems by ensuring transparency and accountability between fundraisers and contributors.

The HALFANA Platform — an Example of Private Initiative

The HALFANA platform in Uzbekistan serves as a tool for turning ideas into reality, connecting people with various goals and capabilities.

It works with:

- socially vulnerable and low-income individuals;
- early-stage startups;
- operating enterprises seeking to scale their activities;
- private investors and philanthropists.

The advantages of HALFANA include the ability to attract sponsors, conduct market research, reduce project risks, and promote initiatives without additional costs.

Moreover, HALFANA provides a digital environment that simplifies communication between project creators and sponsors, ensuring that each transaction is transparent and verifiable.

In our opinion, such platforms foster financial engagement among citizens and create real opportunities for improving their level of financial literacy.

Through HALFANA, many young entrepreneurs receive their first experience in project budgeting, fundraising, and investor relations — competencies that are essential for long-term economic growth.

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The MFond.uz Platform — A State Instrument of Public Financing

On September 29, 2025, Uzbekistan launched its first national crowdfunding platform, MFond.uz, established with the support of the Ministry of Public Education. The project's goal is to attract sponsorship funds to strengthen the material and technical base of schools and ensure transparency in the use of collected resources.

According to the Ministry's press service, the MFond Foundation focuses on:

- improving the infrastructure of public schools;
- supporting children with disabilities and low-income families;
- encouraging gifted students;
- developing digital laboratories and "smart classrooms."

We believe that MFond.uz serves not only a charitable purpose but also an educational one, engaging broad segments of society — parents, alumni, benefactors, and compatriots abroad — in the process of responsible financing.

By involving ordinary citizens in school development, MFond.uz cultivates a sense of collective responsibility and financial awareness across generations.

Moreover, the project enhances digital financial literacy, as it supports payments through local and international systems such as Payme, Upay, Click, Visa, and Mastercard. This promotes cashless transactions and strengthens public trust in the digital economy.

The transparency of donations and real-time tracking of funds also build public confidence, encouraging more citizens to engage in online financial interactions.

In our opinion, MFond.uz exemplifies the successful implementation of the principles of transparency and accountability outlined in the Presidential Decree of the Republic of Uzbekistan “On Measures to Introduce New Principles of Management into the Public Education System” dated September 5, 2018.

The initiative can serve as a model for other public sectors, such as healthcare and culture, demonstrating how crowdfunding may become a cornerstone of civic participation and shared financial responsibility.

Crowdfunding and Economic Growth

We propose viewing crowdfunding as one of the key factors of **economic growth** in Uzbekistan. It contributes to:

attracting domestic investments;

- fostering entrepreneurial initiative;
- creating jobs and stimulating innovation;
- strengthening trust between citizens and financial institutions.

Crowdfunding democratizes access to finance, allowing small businesses and individuals to test and launch ideas without depending solely on traditional banks. As a result, it diversifies the financial landscape and stimulates innovation-driven growth in emerging markets like Uzbekistan.

- Thus, crowdfunding forms a foundation for sustainable socio-economic development by increasing public engagement in the knowledge-based economy. In the long term, such platforms can generate measurable economic benefits — from regional development to the expansion of digital payment infrastructure and increased employment in the fintech sector.

Conclusion

In our view, the development of the HALFANA and MFond.uz platforms marks a new stage in shaping the financial culture of Uzbekistan’s population. These projects promote practical learning of financial literacy, encourage philanthropy and entrepreneurship, and strengthen citizens’ digital engagement.

Crowdfunding thus serves as both an educational and economic bridge between citizens and the state, ensuring shared responsibility for sustainable progress.

We believe that integrating crowdfunding into educational and social programs will not only raise the overall level of financial literacy but also reinforce the relationship between financial literacy and economic growth.

Systematic inclusion of such initiatives into national strategies like “Digital Uzbekistan – 2030” could accelerate the formation of an innovative, inclusive financial ecosystem.

In the long term, such initiatives will become an integral part of the digital transformation of New Uzbekistan, where every citizen can actively participate in positive economic change.

This participatory financial model will ultimately enhance social cohesion, stimulate local entrepreneurship, and contribute to Uzbekistan’s vision of a knowledge-based and equitable economy.

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