

DEMOGRAPHY AS A FACTOR IN ECONOMIC GROWTH OF THE REPUBLIC  
OF UZBEKISTAN

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**Abstract.** This article examines the impact of demographic processes on economic growth in the Republic of Uzbekistan. It examines population dynamics, age structure, fertility, urbanization, and the formation of a demographic dividend. Particular attention is paid to the relationship between population growth, labor force expansion, and sustainable economic development. Data from the National Statistics Committee of the Republic of Uzbekistan and the World Bank are used to analyze the past two years (2024–2025). It has been shown that Uzbekistan retains a high potential for a demographic dividend thanks to its young population and growing workforce. However, transforming this demographic potential into a source of long-term growth requires investments in human capital, increased labor productivity, and job creation.

**Keywords:** demography, economic growth, demographic dividend, population, labor force, human capital, Uzbekistan, urbanization, employment.

Demographic processes are one of the fundamental factors in long-term economic development. Changes in population size, age structure, and spatial distribution influence the labor force, domestic demand, capital accumulation, and the social burden on the budget. For countries with young populations, demographics can become a source of accelerated growth, while for aging societies, pressure on social protection and healthcare systems increases.

The Republic of Uzbekistan occupies a unique position in Central Asia due to its large and rapidly growing population. According to the National Statistics Committee, the country's resident population exceeded 37.5 million at the beginning of 2025, and approached 38 million by mid-2025.

The purpose of this article is to determine how demographic processes in Uzbekistan influence economic growth and what conditions are necessary for realizing a demographic dividend.

In economic theory, demography is considered a crucial element of labor supply and human capital formation. Population growth increases the potential labor force, expands the domestic market, and stimulates investment. However, this positive effect is not automatic. Adequate levels of education, healthcare, employment, and labor productivity are essential.

The concept of a demographic dividend suggests that economic growth accelerates when the share of the working-age population increases faster than the share of children and the elderly. This concept is particularly relevant for Uzbekistan, as the country has a young age structure and a significant pool of future workers.

Table 1. Main demographic indicators of Uzbekistan

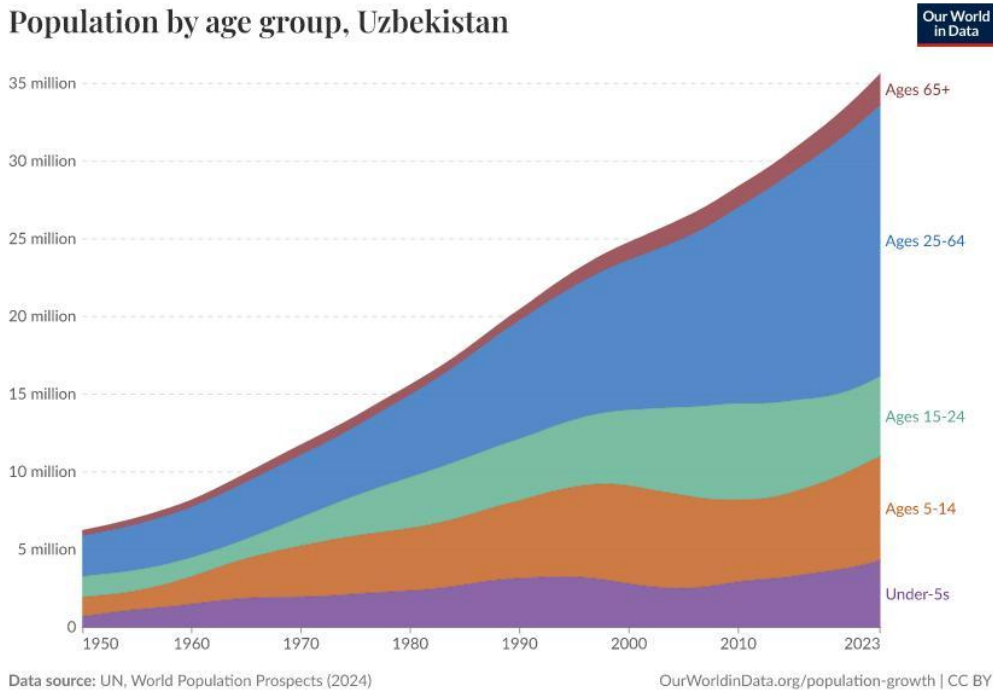
Indicator	2024	2025
Population size, million people	36,36–37,54	37,05–37,86
Annual population growth	about 2%	about 2%
Average age of the population	≈ 27 years old	≈ 28 years old



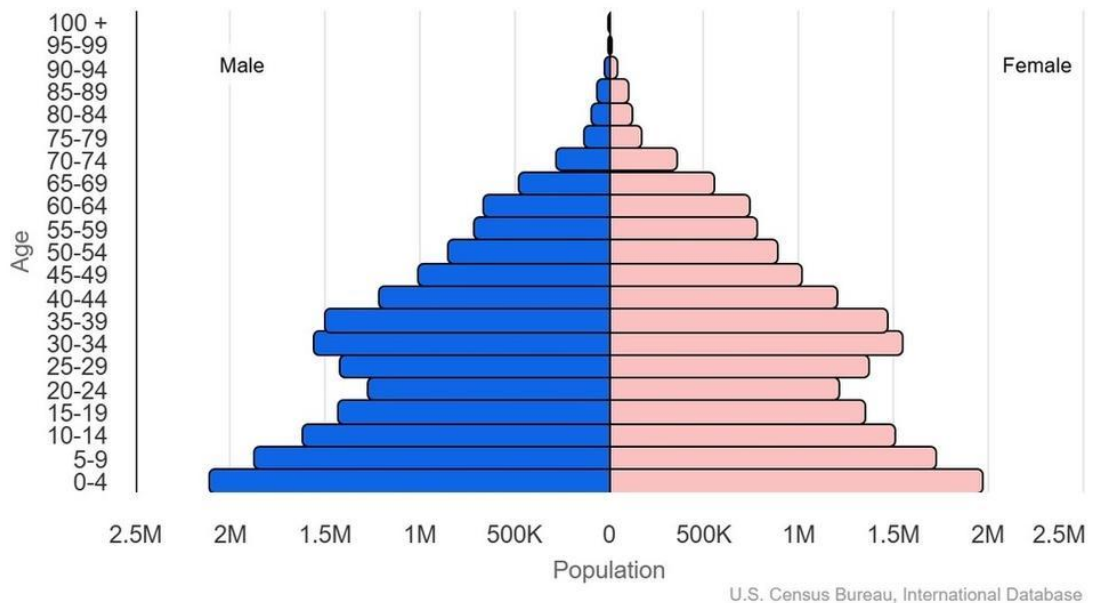
Indicator	2024	2025
Proportion of population aged 15–64	about 62%	about 63%

Figure 1. Population Growth in Uzbekistan (2024–2025)  
The population of Uzbekistan continues to grow steadily, exceeding 37 million people and creating favorable conditions for economic expansion and labor force development.

Population by age group, Uzbekistan



Uzbekistan (2024)



**Source:** compiled by the author based on data from the National Statistical Committee and international demographic estimates. The table provides ranges because different official and international sources use different reference dates and population estimation methods.

The most important feature is the high proportion of the working-age population. According to demographic structure studies, the proportion of working-age individuals exceeds half of the country's population, and young people constitute a significant portion. This creates the preconditions for an increase in labor supply and the development of a domestic consumer market.

Uzbekistan's economy has demonstrated robust growth in recent years. The World Bank estimates GDP growth in 2024 at approximately 6.5%.

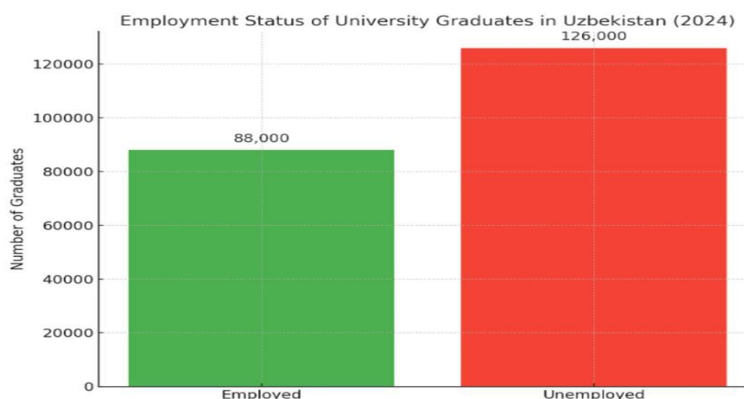
Table 2. Demography and economic growth

Indicator	2024	2025
GDP growth, %	≈ 6,5	7,7
Population, million people	36,36–37,54	37,5–38
Population growth, %	≈ 2	≈ 2
Main demographic effect	expansion of labor resources and domestic demand	maintaining the demographic dividend

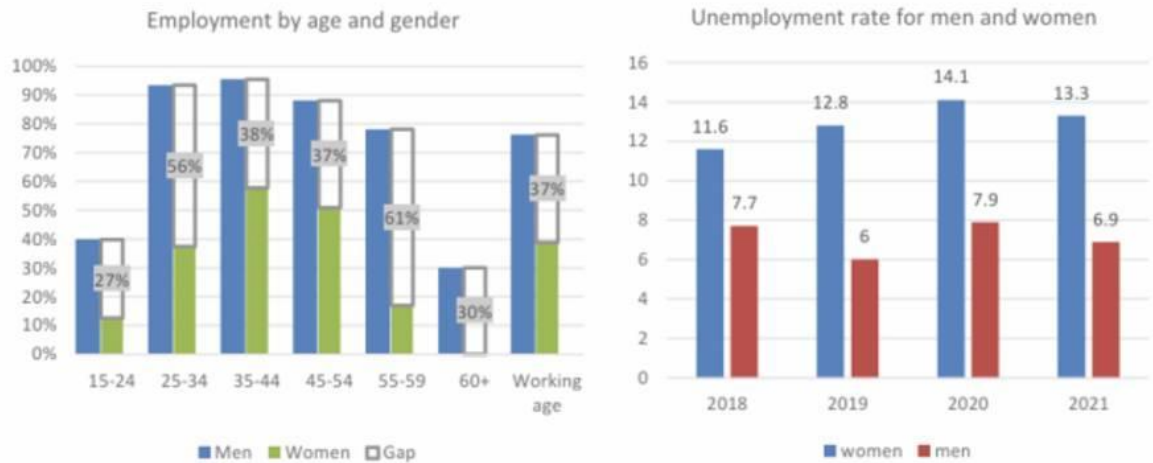
Key demographic indicators and structure for 2025:

- Gender composition: the population is almost equally divided between men (≈ 50.4%) and women (≈ 49.6%).
- Residence: urban population accounts for approximately 51%, while rural population accounts for 49%.
- Growth: due to high natural increase (the number of births consistently exceeds the number of deaths), the population increases by approximately 2% annually.
- Employment capacity: more than half of the citizens (approximately 56%) are of working age, while the republic maintains its status as a "young" country—the median age of residents is approximately 27 years.

Figure 2. Expanding Labor Force in Uzbekistan  
The growth of the working-age population increases labor supply and supports economic development through higher production capacity and consumer demand.



### Employment and unemployment rates



Source: World bank staff and *National Statistics Agency of Uzbekistan* estimates based on HBS

The relationship between demography and growth manifests itself through several channels.

#### 1. Increased labor supply

Annual population growth leads to an increase in the number of people entering the labor market. This creates opportunities for the expansion of production and services, especially in labor-intensive sectors of the economy.

#### 2. Increased domestic demand

Population growth means increased consumption of goods, housing, transportation, education, and healthcare services. The domestic market is becoming an important source of economic activity.

#### 3. Urbanization and Structural Change

Urban population growth facilitates the concentration of economic activity, infrastructure development, and increased productivity. Urbanization creates conditions for the labor force to shift from less productive to more productive sectors.

#### 4. Investments in Human Capital

Demographic pressure requires the expansion of the education and healthcare systems. In recent years, higher education enrollment in Uzbekistan has increased significantly: by the start of the 2024/2025 academic year, the enrollment rate for the 18-23-year-old population reached 47.7%, significantly higher than the level of a decade ago.

Despite significant potential, demographic growth also carries certain risks.

#### 1. Lack of jobs.

If the economy fails to create a sufficient number of productive jobs, the growth of the working-age population may be accompanied by increased unemployment and informal employment.

#### 2. Strain on social infrastructure.

A high birth rate requires significant spending on schools, daycares, healthcare, and housing infrastructure.

#### 3. Regional disparities.

Rapid population growth in certain regions can increase migration to large cities and put pressure on urban infrastructure.

4. Quality of human capital.

A positive demographic dividend is only possible with sufficient levels of education, professional training, and health of the population.

Conditions for Achieving the Demographic Dividend

1. Job creation in the private sector.

The development of industry, services, and the digital economy must ensure the absorption of the growing workforce.

2. Developing education and vocational training.

Improving the quality of education increases labor productivity and the competitiveness of the economy.

3. Supporting entrepreneurship.

Expanding opportunities for small and medium-sized businesses promotes youth employment and innovation.

4. Balanced regional policy.

Investments in the regions reduce migration pressure on major cities and contribute to more balanced development of the country.

5. Increasing women's participation in the economy.

Expanding women's economic activity increases the effective labor supply and household income.

**Conclusion**

Demographic processes have a significant impact on the economic growth of the Republic of Uzbekistan. The country has one of the youngest populations in the region, and its population continues to grow steadily. The high proportion of the working-age population creates the preconditions for a demographic dividend and accelerated economic growth.

However, population growth alone does not guarantee increased prosperity. The quality of human capital, labor productivity, job creation, and the effectiveness of institutions are key. If government policy is focused on developing education, healthcare, entrepreneurship, and modern economic sectors, demographic potential could become one of the main sources of sustainable growth in Uzbekistan in the coming decades.