

**THE ROLE AND ANALYSIS OF EMPLOYMENT IN THE SOCIO-ECONOMIC
INDICATORS OF THE SERVICE SECTOR IN RURAL AREAS**

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Abstract: This article analyzes the role of the service sector in rural areas within the framework of socio-economic indicators and employment levels. The study examines changes in employment across different regions. The results show that the service sector in rural areas plays an important role in ensuring employment, although regional disparities exist. The article also provides recommendations for reducing regional differences and developing the service sector.

Keywords: Rural areas, service sector, employment level, socio-economic indicators, regional analysis.

Introduction

The service sector in rural areas plays a crucial role not only in improving the living standards of local populations but also in ensuring economic stability and employment levels. Today, the service sector is considered an essential component of economic activity in rural areas because it not only provides employment but also meets daily needs and promotes local production. Therefore, analyzing the relationship between the service sector and employment helps to better understand rural economic and social development.

This study examines the share of employment in the service sector in rural areas, its economic and social efficiency, existing problems, and opportunities. The results provide a scientific basis for recommendations to develop rural services. Furthermore, the topic is highly relevant for analyzing local and regional statistics, assessing the impact of the service sector on employment, and shaping effective economic policies.

Analyzing the interconnection between the service sector and employment helps to understand rural economic and social development. Thus, the share of employment in the service sector, its economic and social efficiency, and development opportunities are key topics discussed in this article.

Literature Review

Research on the service sector and employment in rural areas highlights its importance not only for improving living standards but also for economic stability and social development. Various studies consider the service sector as one of the main branches of rural economies. It "provides employment, meets daily needs, and supports local production and entrepreneurship." Moreover, the service sector is viewed as a strategic tool for ensuring employment, effectively distributing the rural workforce, and strengthening socio-economic stability.

Scientific literature analyzes the relationship between rural services and employment from multiple perspectives. For instance, some studies focus on the structure of the service sector, the proportion of employed population, and its economic efficiency. International experiences further demonstrate the sector’s role in rural development, showing that employment growth is closely linked to local economic growth and well-being.

Research in Uzbekistan also examines the effectiveness of state programs aimed at developing rural services and increasing employment. These studies assess the sector’s contribution across various branches, its impact on employment, and existing challenges. Academic sources also serve as a foundation for developing recommendations to improve employment and effectively develop rural services.

Overall, reviewing existing studies allows for a deeper understanding of the interconnection between the service sector and employment in rural areas. The literature shows that the service sector is economically and socially important, providing employment and enhancing living standards in rural areas. Consequently, this article’s focus on developing the sector and increasing employment is highly relevant.

Research Methodology

A systematic methodological approach was used to identify and analyze the level of employment in the rural service sector and its interrelation. The primary objective of the study is to determine the impact of the service sector on rural employment and to analyze regional differences.

Analysis and Discussion of Results

In recent years, the Uzbek economy has witnessed significant regional changes. From 2021 to 2024, economic growth was observed in almost all regions, though growth rates varied. This is directly linked to regional economic potential, production volume, investment attraction, and infrastructure development.

Table 1

Employment Levels in Uzbekistan (2021–2024), %

Region	2021	2022	2023	2024	Change(2021–2024)
Republic of Karakalpakstan	61.1	61.6	62.9	64.3	+3.2%
Andijan	68.2	69.5	70.6	70.2	+70.2
Bukhara	67.2	67.2	68.7	67.7	+0.5%
Jizzakh	67.5	66.2	66.3	66	-1.5%
Qashqadaryo	62.2	61.9	61.9	65	+2.8%
Navoi	68.3	67.7	69.8	70.5	+2.2%

Namangan	65.5	64.8	65.9	66.8	+1.3%
Samarkand	63.7	64.7	65	64.8	+1.1%
Surkhandarya	64.5	64.2	63.8	63.7	-0.8%
Syrdarya	64.5	64	63.8	65.3	+0.8%
Tashkent Region	72.4	71	72.2	72.3	-0.1%
Fergana	66.2	67.1	68.4	68	+1.8%
Khorezm	64	64.7	66.9	66.2	+2.2%
Tashkent City	81.3	82.5	82.3	82.3	+1%

Source: Compiled from official data of the State Statistics Committee of the Republic of Uzbekistan.

The table shows that employment in the rural service sector generally increased from 2021 to 2024. The highest levels were observed in Tashkent City and Tashkent Region, with Tashkent City rising from 81.3% to 82.3% (+1%) and Tashkent Region remaining relatively stable at around 72.4% to 72.3% (-0.1%). This reflects a developed service sector, urbanization, and economic opportunities in these areas.

Growth rates varied across rural regions, with the Republic of Karakalpakstan (+3.2%), Qashqadaryo (+2.8%), and Navoi (+2.2%) showing the most significant increases, indicating effective expansion of the service sector and employment. Other regions such as Andijan (+2%), Khorezm (+2.2%), and Fergana (+1.8%) also experienced positive growth. In contrast, Jizzakh (-1.5%), Surkhandarya (-0.8%), and Tashkent Region (-0.1%) saw slight declines, highlighting the need for targeted measures to stabilize growth.

Overall, the employment trend in the rural service sector shows moderate positive growth. The greatest increases occurred in Karakalpakstan, Qashqadaryo, and Navoi, while the lowest growth or decline occurred in Jizzakh, Surkhandarya, and Tashkent Region. These findings emphasize the importance of regional strategies to develop the service sector and improve employment.

Conclusion and Recommendations

The service sector plays a crucial role in ensuring employment in rural areas. However, regional disparities exist, necessitating targeted strategies to develop the sector and increase employment.

Regions with high employment growth (e.g., Karakalpakstan, Qashqadaryo, Navoi) can further strengthen socio-economic stability by expanding and improving the quality of services. Conversely, regions with declining employment (Jizzakh, Surkhandarya, Tashkent Region) require specific measures to develop the service sector.

Recommendations:

- **Develop the service sector:** Expand and modernize rural service infrastructure to increase employment opportunities.
- **Skills and training:** Implement professional development programs for service sector workers and adopt new technologies and digital solutions.
- **Regional development strategies:** Create targeted strategies for regions with declining employment to promote service sector growth.
- **Monitoring and evaluation:** Establish systems to regularly monitor service sector performance and employment levels.

Implementing these recommendations will enhance the efficiency of the rural service sector and ensure sustainable employment.

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