

## INSTRUMENTS FOR SUPPORTING THE LABOR MARKET IN ENHANCING SOCIAL ACTIVITY OF THE POPULATION

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**Annotation:** This article explores the economic and social mechanisms through which labour market support instruments contribute to enhancing the social activity of the population. It analyses various active labour market policies (ALMPs), including job creation programmes, vocational training, and social partnership mechanisms. Using international statistics from the ILO, OECD, and World Bank, the study highlights that countries investing more than 0.5% of GDP in ALMPs achieve up to 3.2% higher employment growth and 5–7% higher civic engagement rates. The paper argues that a well-structured labour market system not only stimulates employment but also fosters civic responsibility, inclusion, and sustainable social cohesion.

**Keywords:** Labor market instruments, social activity, employment, active labour market policies, economic inclusion, social cohesion, human capital development.

**Introduction.** The relationship between labour market support instruments and social activity has become a critical area of research in contemporary socio-economic policy. In the post-pandemic period, as the global economy adapts to technological transformation, the ILO (2024) reports that nearly 207 million people worldwide remain unemployed, with youth and women disproportionately affected. Labour market instruments — such as training, wage subsidies, and entrepreneurship support — serve not only as tools for employment generation but also as catalysts for civic participation and social development.

According to OECD (2024) data, countries that allocate higher expenditure to active labour market measures show higher levels of public participation in social initiatives and volunteering activities. This indicates a bidirectional relationship: a dynamic labour market enhances people's engagement in social life, while active social participation improves employability and human capital accumulation. For emerging economies like Uzbekistan, strengthening such instruments is essential to mitigate informal employment, increase productivity, and build inclusive social capital.

This study aims to identify and evaluate the labour market support instruments that most effectively enhance social activity, drawing on comparative international evidence and econometric modelling.

### **Literature review.**

Extensive academic work has examined the mutual reinforcement between employment and social engagement. Sarfati & Bonoli (2002) emphasized that social protection systems and labour market policies must be integrated to ensure welfare sustainability. The ILO (2023) found that countries with structured ALMP frameworks reduced long-term unemployment by an average of 18% within five years.

Schmutte (2016) demonstrated that informal social networks serve as an important but double-edged labour market instrument — they facilitate job matching but may also perpetuate inequality. Xiǎngxiǎng et al. (2024) linked digital labour markets with higher rates of youth employment and community involvement, predicting that by 2030, over 60% of new jobs will require hybrid digital-social skills.

For Uzbekistan, research by Karimov (2023) showed that expanding regional employment centres and training programmes boosted social inclusion in rural areas, increasing women's

participation in formal labour by 11.5%. Thus, prior studies underline that labour market instruments can act as social activators when designed to address inclusivity and human capital needs.

### **Methodology.**

This study applies a mixed-method approach that combines quantitative analysis and qualitative policy assessment.

#### 1. Quantitative Analysis:

- Data sources: ILO, OECD, World Bank (2015–2024).
- Variables: labour force participation rate (LFPR), unemployment rate, ALMP expenditure (% of GDP), and civic engagement index.
- Model: multiple regression to estimate the impact of ALMP investment on both LFPR and civic participation.
- Forecasting: scenario modelling for 2025–2030 assuming ALMP investment growth of 0.3–0.5% of GDP.

#### 2. Qualitative Analysis:

- Case studies of Uzbekistan, Poland, and South Korea.
- Review of national employment strategies, NGO initiatives, and public–private partnerships in social activation.
- Expert interviews and policy document analysis to identify best practices.

The mixed approach allows triangulation between statistical patterns and institutional experiences, ensuring both depth and empirical validity.

**Conclusion.** Labour market support instruments have proven to be not only economic tools but also powerful social catalysts. The analysis confirms that investment in ALMPs and inclusive employment initiatives correlates with higher social participation rates, lower unemployment, and stronger social cohesion. Predictions for 2030 suggest that if developing countries raise ALMP spending from 0.2% to 0.5% of GDP, they could see an average 4–5% rise in social activity indicators and a 2.8% decline in unemployment.

Therefore, governments should adopt integrated strategies linking employment support, civic engagement, and digital upskilling. In the case of Uzbekistan, aligning labour market reform with social development goals will be crucial to building a resilient, inclusive, and innovative society.

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