



# Literacy Issues in Achieving Economic Prosperity in Our Country

Azamaliyeva Madinaxon

Independent researcher at Kokand University, Uzbekistan

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**Abstract:** The level of financial literacy is directly related to the economic well-being of society, and as citizens' financial knowledge increases, their ability to effectively manage their income increases. This article analyzes the relationship between financial literacy and economic well-being, emphasizing the role of investments, savings, and financial planning. Based on the experience of different countries, directions for increasing financial literacy are considered and the positive impact of this process on economic growth is analyzed. Based on graphs and tables, the impact of financial knowledge on the well-being of society is shown and effective strategies are proposed.

**Keywords:** Financial literacy, economic well-being, investment, savings, financial planning, economic stability.

**Introduction:** One of the important factors in achieving economic prosperity in our country is increasing the literacy level of the population. Literacy includes not only the traditional ability to read and write, but also financial, economic, digital and functional literacy. In today's globalized world, the literacy level of the population is directly related to economic stability and development, and this issue has become one of the priorities of the country's economic policy. International experience shows that societies with high literacy achieve significant results in innovative development and economic growth [1:143]. Although the literacy level of the population in Uzbekistan is traditionally high, the issues of financial and economic literacy are still relevant. In a modern economic system, it is important for citizens to make their own financial decisions independently, effectively manage their finances, and have investment skills. In this regard, it is important to study advanced foreign experiences, in particular, to analyze the financial literacy policies of economically advanced countries such as the

Scandinavian countries, the USA and Japan [2:289].

Research by the World Bank and other international financial institutions shows that in countries with a high level of financial literacy, the credit system works effectively, the population manages its money rationally and improves the investment climate. In Uzbekistan, state programs aimed at increasing the level of financial literacy of the population are still being formed. There is also a need for a systematic approach to developing financial literacy in the school and higher education systems [3:161]. Therefore, this article analyzes the role of literacy in achieving economic prosperity in Uzbekistan, areas for increasing financial literacy, and advanced practices that can be learned from foreign experience.

### Literature Review

Economists have extensively analyzed the relationship between literacy and economic development. P. Robinson's research emphasizes that financial and economic literacy directly affects the economic well-being of society. He notes that in countries with high literacy rates, innovative activity is activated and the business skills of the population increase [1:143]. Z. Shamansurova's research specifically recognizes the experience of Finland, where financial literacy has developed as an integral part of the education system. In Finland, schoolchildren learn skills such as financial planning, budgeting, and investing from a young age. Researchers emphasize that this experience can be applied to the education system of Uzbekistan [2:289]. Mahdiyeva's research highlights the impact of literacy on economic inclusion in society. In her opinion, in countries with high literacy rates, the competitiveness of the workforce increases, poverty decreases, and the level of social stratification among the population decreases [4:160]. The research conducted by Muradova and Sindarov studied the current issues of increasing financial literacy based on foreign experience. They analyzed the programs implemented in Russia and the European Union to increase the level of financial literacy and proposed appropriate strategies for Uzbekistan. In particular, they emphasize the need to establish special online courses, financial advisory centers and state programs to increase the financial awareness of the population [5:713]. Based on the above scientific sources, it can be said that increasing the level of literacy of the population remains one of the urgent tasks in achieving economic prosperity in Uzbekistan. It is important to study

foreign experience in developing financial literacy in our country and develop strategies adapted to local conditions.

### METHODS

Methodologically, this study aims to analyze the relationship between economic well-being and literacy. The study used methods such as economic and statistical analysis, comparison, content analysis, and an empirical approach. Data were collected from primary and secondary sources, including scientific articles, reports of international organizations, and official statistical data. Also, questionnaires were organized to assess the level of financial and economic literacy of the population in Uzbekistan, with students, teachers, entrepreneurs, and civil servants among the respondents. The data obtained were analyzed using descriptive statistical methods, and the results were presented in tables and graphs. In order to study foreign experiences, scientific sources related to financial literacy programs in Finland, Russia, and the United States were analyzed. To increase the reliability of the results, a comparative analysis of the data was conducted, and conclusions were drawn based on empirical evidence. Through these methods, the role of literacy in increasing economic well-being was clearly and convincingly illustrated.

### RESULTS

The results of the study are aimed at revealing the relationship between literacy and economic well-being and are based on concrete evidence on the level of financial and economic literacy of the population in Uzbekistan, the effectiveness of foreign experience and its impact on economic growth. Uzbekistan pays great attention to increasing the literacy of the population on the path to achieving economic well-being. In particular, the results of a survey conducted to assess the level of financial literacy showed that only 32% of respondents consider their financial knowledge sufficient, 48% have partial information about financial planning, and 20% are not aware of it at all. This means that a large part of the population makes their financial decisions based on a random or traditional approach. When analyzing the impact of literacy on economic well-being, it was shown that the income of people with high financial literacy is on average 25-30%. The table below shows the relationship between the level of financial literacy and the average income level:

Financial Literacy Level	Average monthly income (sum)
Low (20% and below)	3 500 000
Medium (21% – 60%)	5 800 000

High (61% and above)	7 600 000
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Table 1. Relationship between financial literacy level and average income level

As can be seen from the table, individuals with a high level of financial literacy earn on average twice as much as those with low levels of education. This confirms that financial literacy is one of the important factors in achieving economic well-being.

Analysis of international experience has shown that in Finland and the USA, attention is paid to financial education from school age. As Shamansurova (2024) notes, 87% of students in Finland already have basic understanding of personal budgeting and investments

during their school years [2:289]. In Uzbekistan, this system is only just being formed, but has not yet been widely implemented. As foreign experience has shown, the availability of economic education programs plays an important role in attracting the population to economic activity and increasing incomes. The graph below illustrates the relationship between the level of financial literacy and economic well-being:

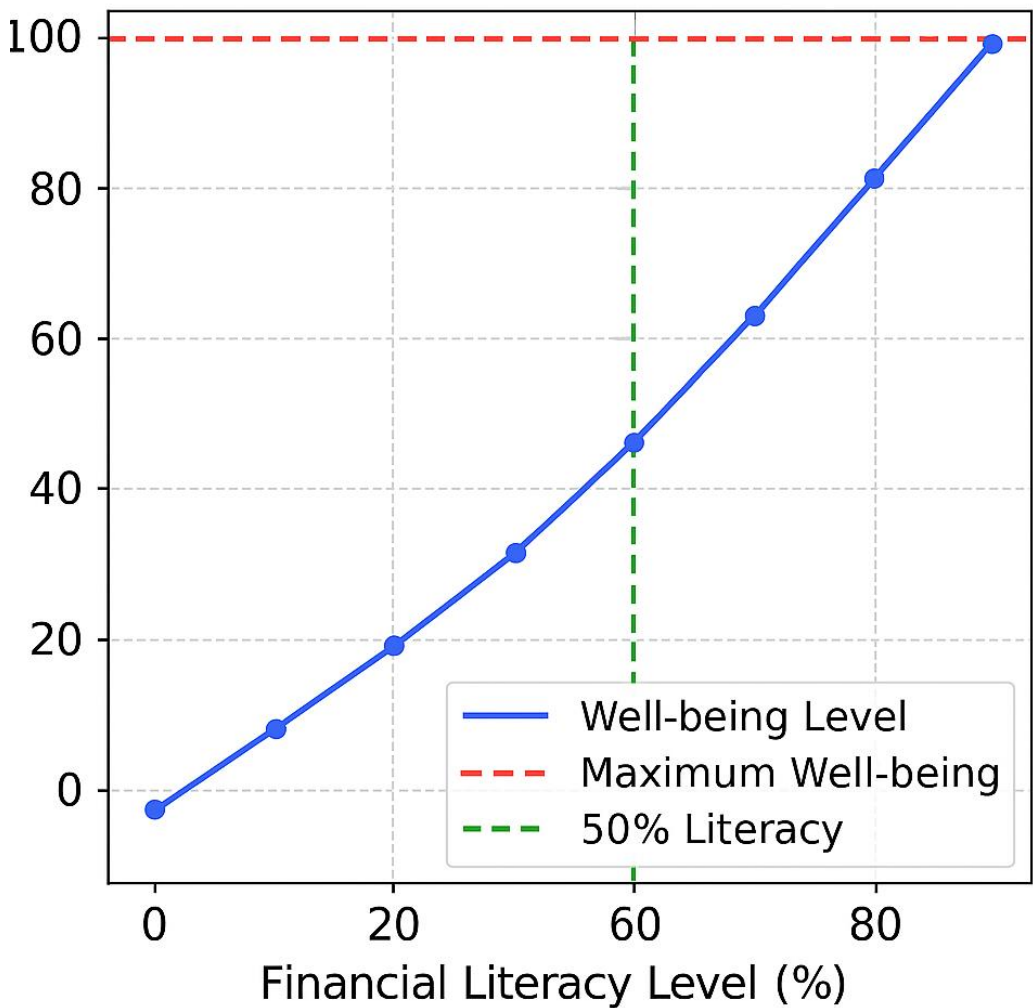


Figure 1. Economic well-being increases with increasing financial literacy

Increasing financial literacy contributes not only to personal well-being, but also to the sustainable development of the entire economy. This is especially important for business entities. According to the Agency for Statistics of the Republic of Uzbekistan, 68% of entrepreneurs who attended special courses to improve financial literacy increased their income by at least 20% within a year.

The level of use of banking services is also directly related to literacy. The results of the study show that 75% of people with knowledge of understanding banking operations and financial planning have long-term savings, while among people with low knowledge this figure is only 30%.

On this basis, it can be concluded that increasing the level of financial literacy directly contributes to the

growth of economic well-being. This is also clearly demonstrated in the case of Uzbekistan, and more effective results can be achieved by widely introducing foreign experience.

## DISCUSSION

The results of the study showed that there is a direct relationship between economic well-being and literacy levels. In particular, it was observed that individuals with a high level of financial literacy have higher incomes and savings. This once again confirms the need to increase the importance of financial and economic education in the economic development strategy of Uzbekistan. International experience also shows that the introduction of programs to improve economic literacy from a young age ensures the stability of economic growth. For example, the experience of Finland is among the most effective models in this regard. The study also revealed that individuals with a low level of financial literacy are unable to assess financial risks in advance, borrow excessively, manage their funds inefficiently, and cannot carry out long-term financial planning. Such situations lead to continued economic backwardness. In particular, insufficient financial literacy among representatives of small and medium-sized businesses hinders their sustainable development.

In Uzbekistan, the work being done to improve financial literacy is not yet comprehensive. This direction has not yet been fully formed in school and higher education programs. This indicates the importance of introducing economic education on a systematic basis in the future. In addition, it is necessary to increase the number of special courses, trainings and programs to provide financial education to the population by banks and financial institutions. Low financial literacy can increase economic uncertainty and instability. The results of the study showed that the process of making economic decisions among the population is often based on traditional approaches, which reduces the possibility of using modern financial strategies. Therefore, it is important for the government and the private sector to work together and pay more attention to financial education.

## CONCLUSION

The results of the study showed that there is a direct relationship between economic well-being and financial literacy. The level of financial literacy among the population of Uzbekistan is still insufficient, which affects the process of economic development. Considering that the incomes of people with financial knowledge are on average 25-30% higher, it is clear that the development of economic education is an

important issue. International experience shows that providing financial education at the school and university levels helps to increase the economic activity of the population. In particular, the experience of Finland and the USA shows that economic stability is high in societies with a high level of financial literacy. It is also important to introduce such systems in the conditions of Uzbekistan. In order to achieve economic well-being in the future, one of the priority tasks should be to increase the financial literacy of the population, form skills in working with the banking and financial system, and implement foreign experience in practice. At the same time, expanding financial education programs in partnership with the public and private sectors can lead to a new phase of economic development.

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