

Welfare and Urbanization in Uzbekistan

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A comprehensive urbanization master plan is needed to effectively address the challenges of demographic growth and increasing shortage of water and land resources

Uzbekistan’s population will be continuously growing until 2050. According to CER projections, under otherwise equal conditions (i.e. measures are taken to decrease birth rate, etc) Uzbekistan’s population is expected to be 29.3 ~ 33.4 mln by 2025 and about 43.9 mln by 2050. Similar figures are indicated in the forecasts by UN population experts: 33.4 mln by 2025 and 40,6 mln by 2050.

If the current ratio of rural and urban population is preserved by 2025 rural and urban population will constitute 22.2 and 11.02 mln respectively out of total 33.22 mln.

Meanwhile, the Government has been accelerating rural reforms aimed at the enlargement of private farms. While the economy of scale clearly adds to the increased productivity in agriculture, it also leads to the release of excessive labor from the sector.

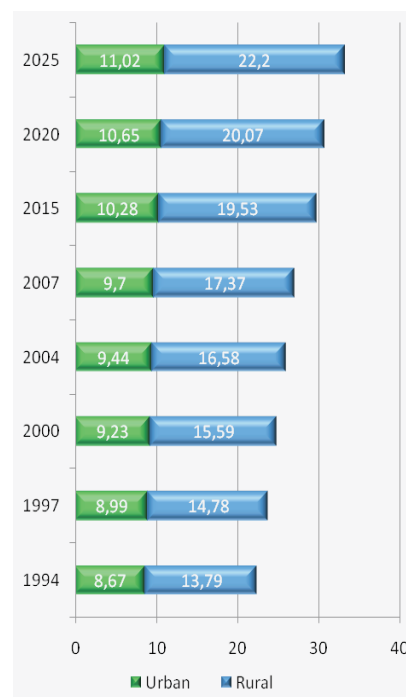
Given the scarcity of agricultural lands and water resources, and the increasing productivity in agriculture, the number of employed in the sector will fall down from current 3 million people to 2 million. Labor surplus in rural areas might be reaching approximately 7 million people by 2025, which will increase unemployment, decreasing the incomes and living standards of rural households.

Reduced employment opportunities in the rural area has been “buffered” so far by increased external labor migration. The opportunities for external migration are narrowing since the financial crisis has resulted in jobs being cut in recipient countries. The migration might change the pattern. While the pace of external migration is slowing down, cities in the country will have to absorb the inflow of excessive labor. At the same time, most of the cities in Uzbekistan are not “mature” enough to become agents of urbanization.

Absence of comprehensive urbanization policy might lead to “fake urbanization” that implies rapid urban population growth not being followed by sufficient employment generation, megapolization, that results in excessive pressure on urban infrastructure, booming unemployment and crime rates.

Under the urbanization master plan the Government should gradually move its priorities from rural to urban infrastructure development to increase absorption capacities of urban settlements,

Urban and Rural Population in 1994-2025, mln people



Source: CER calculations based on the data of State Committee on Statistics

including provision of affordable housing and improvement of public utilities.

Specific focus has to be made on the increase of productive employment generation capacities of the cities. The Government should review its industrial policy and link it to the plans for urban development.

Urbanization policy harmonized with the industrial development agenda might encourage emergence of 2-3 urban agglomerations, which would lighten demographic pressure on Tashkent city and ensure more equal spatial development. According to CER calculations (testing of the Zipf’s Law for Uzbekistan) besides Tashkent the country should have another city with 1 million population and two more with 500,000 to 800,000 people.

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