



Article

Assessment Of Social and Economic Factors Affecting The Provision Of Housing To The Population

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Abstract: In the article, the influence of social and economic factors in providing housing to the population and their specific characteristics are identified and evaluated. In this regard, studies aimed at evaluating the influence of factors using econometric methods have been carried out. Scientific conclusions have been formed regarding the systematization of factors affecting the housing market.

Keywords: State Budget, Housing, Mortgage Credit, Social Protection, Social Policy, Poverty

1. Introduction

The development of the housing market in Uzbekistan is creating a need to further improve efforts aimed at providing housing for the population. It is no exaggeration to say that against the background of ongoing reforms, increasing incomes and savings of the population have further increased the demand for housing. In this context, it is important to take measures aimed at ensuring the necessary living space for each citizen in the population structure and preventing high costs in their expenditure share.

We believe that it is relevant to consider several factors when it comes to housing ownership by the population. These factors include:

Preventing housing purchase or mortgage loan payments from taking up a large share of household expenditure.

Meeting the minimum living space requirements for each family member.

Achieving proximity to social infrastructure.

We believe that implementing measures aimed at addressing housing needs of socially vulnerable segments of the population through special programs can also be included among these aspects.

Literature Review

One can find numerous scientific studies examining social policy from various perspectives. In particular, doctoral dissertations focused on developing the social sphere have been conducted. For example, Prof. D. Rakhmonov, in his dissertation research, focuses on issues of budget financing for the social sphere [1]. He provides scientific conclusions regarding the specific features of financing education and healthcare systems, which are structural components of the social sphere, through budget and extra-budgetary funds. Additionally, he develops scientific proposals and conclusions aimed at developing human capital through effective financing of these sectors.

Citation Xannarov Komiljon Karimovich. Assessment Of Social and Economic Factors Affecting The Provision Of Housing To The Population. Central Asian Journal of Innovations on Tourism Management and Finance 2024, 5(8), 561-569.

Received: 10th Sep 2024
Revised: 11th Okt 2024
Accepted: 24th Nov 2024
Published: 07th Des 2024



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G. Kasimova, in her doctoral dissertation, focuses on factors of using budget funds through the treasury system in financially supporting the social sphere. In her opinion, she emphasizes that the role of the treasury system is crucial in ensuring the efficiency of budget fund utilization. Additionally, she attempts to justify the priorities of implementing outsourcing practices in financing the school education system using budget funds [2].

In our opinion, scientific works conducted from the perspective of using state budget funds in implementing social policy have studied the activities of social sphere components such as education and healthcare. These scientific works have attempted to justify directions for effective use of state budget funds from the perspective of human capital development. This shows that taxes play a crucial role in implementing social policy through accumulated funds.

Angel S. [9], Belsky E. S. [10], Goodman J., Bramley G. [11], Glaeser E. L. [12], Gyourko J., Haffner M. [13], Hoekstra J., Malpezzi S. [14], Monkkonen P. [15], Quigley J. M. [16], Smith S. J. [17], Sh. Abdullaeva, in her monographic research, studied the theoretical foundations of social protection for the population [3]. She conducted a comparative analysis of global and national experiences in social protection of the population. According to her research, she mentions insurance premium payments, pension funds, workplace, and community institutions as passive social protection programs. Additionally, she recommends using priorities such as providing vocational education services, employment incentives, social insurance, and social assistance in protecting the working-age population in the labour market.

In the research conducted by M. Mirzamakhmudova, attention is focused on analyzing the specific aspects of identifying socially vulnerable segments of the population [4]. According to her, social policy can be further improved by implementing a unified system of social protection in reducing poverty, integrating social insurance, social assistance, social services, and employment systems. Additionally, she divides the minimum consumer basket content into three types in the country. These include food, non-food products, and services. In turn, she pays special attention to housing issues within services. In this regard, she points out that in advanced practices, housing expenses comprise 20 percent in Kazakhstan, 25 percent in Russia, 32 percent in Germany, and 36 percent in the USA.

R. Sattarov emphasizes the importance of inter-regional cooperation in ensuring regional socio-economic development [5]. His conclusion attempts to justify that inter-regional cooperation is a unique direction from the perspective of implementing housing and infrastructure construction.

S. Baratov provides his scientific conclusions aimed at effective use of state budget funds in the fight against poverty in his research. According to him, poverty can be fought indirectly and directly through implementing social policy in active and passive forms [6].

In the above-mentioned studies, one can see scientific approaches to implementing various aspects of social policy through social protection of the population. We observe some conclusions regarding housing provision for the population. However, it is difficult to find specific research objects aimed at providing housing through state budget funds.

When social policy is categorized, researchers and scholars have shown different aspects while expressing active and passive characteristics. Additionally, their approaches to these categories are reflected from various angles. Approaches have been developed for social protection of the working-age and poor segments of the population in social policy.

During our research, we focus on studying scientific approaches developed by some scholars and researchers regarding the housing factor within social policy. We attempt to systematize analyses and scientific conclusions regarding the role of the state budget.

D. Bahramova focuses on justifying scientific approaches regarding priorities of social protection for the population in her dissertation research [7]. According to her,

factors affecting social protection are shown in two groups - social protection being dependent on human life activity, and social protection being a factor determining human living standards. She specifically highlights housing provision among life activity factors. Furthermore, she emphasizes the importance of building preferential and affordable housing based on standard projects to achieve prosperity.

G. Alieva analyzes specific aspects of social infrastructure development in her scientific research [8]. According to her, solving housing sector problems is among the factors determining regional social infrastructure development. According to this:

- average total living space per person
- share of residential buildings requiring capital repairs
- construction and delivery of residential houses for citizens residing in the region
- market price per square meter of housing in the region are highlighted.

2. Materials and Methods

The research employed a mixed-methods approach to evaluate social and economic factors affecting housing provision in Uzbekistan. A survey was conducted among 624 respondents in August-September 2024, utilizing an online questionnaire to collect data on demographic, social, and economic variables influencing housing choices and satisfaction. Descriptive statistics and multinomial logistic regression were applied to analyze the responses, focusing on factors like affordability, proximity to social infrastructure, and mortgage usage. Statistical tools, including Stata 17, were utilized to determine correlations between variables and the influence of government programs on housing accessibility. The analysis aimed to provide insights into the role of social policies, the effectiveness of state programs, and the broader economic impacts on housing markets. The results were contextualized with prior research and used to develop recommendations for enhancing housing policies and addressing the needs of vulnerable population groups.

3. Results and Discussion

We conducted a survey across Uzbekistan to find scientifically based answers to these questions.

During our research, we conducted a survey among 624 people in August-September 2024 by sharing a questionnaire with Uzbek respondents through the link https://docs.google.com/forms/d/1wChipUIMGfTtvBh866j-M_110tk5fQhnPVzwaBnbW6U/edit.

Based on the collected data from this survey, we focus on identifying and evaluating the impact level of social and economic factors in providing housing to the population.

Table 1 shows the average values of the responses from survey participants. Here we can observe the descriptive statistics of the collected data. It should be noted that the average age of survey participants was 35 years.

Table 1
Descriptive statistics of factors affecting housing provision

№	Indicators	Obs	Mean	Std. dev.	Min	Max
1.	Your age	624	35.14423	7.42334	19	72
2.	Your gender	624	1.264423	.4413793	1	2
3.	The number of family members	624	4.926282	1.898132	1	20
4.	Was your current residence purchased through a mortgage loan?	624	1.520833	.4999666	1	2
5.	Do you use (or have you used) the state's social protection program?	624	1.769231	.4216631	1	2
6.	Do you have a bank deposit?	624	1.897436	.3036321	1	2

7.	What percentage of your income goes to mortgage payments?	624	2.517628	1.545358	1	5
8.	What is your source of income?	624	2.137821	.4909248	1	4
9.	How many times have you changed your residence in the last five years?	624	1.519231	.9151562	1	5
10.	What is the distance from your home to workplace?	624	2.301282	1.18671	1	4
11.	What is the distance from your home to your child's school?	624	1.536859	.955807	1	4
12.	What is the distance from your home to family polyclinic?	624	2.573718	1.282434	1	5
13.	Do you notice an increase in your housing price?	624	2.011218	.7632421	1	3
14.	Why did you choose your current residence?	624	3.294872	1.488179	1	5
15.	Which state housing program have you used?	624	3.206731	.9050702	1	4
16.	Which program do you think is most convenient for buying a home?	624	2.772436	.8645747	1	4
17.	Which of the following did you receive for your house under the state program? (which was successfully implemented)	624	2.777244	1.339627	1	4
18.	How many floors does your residential building have?	624	1.612179	1.015251	1	4
19.	Do you know your neighbours?	624	2.254808	1.103392	1	4
20.	Are you satisfied with the quality of your house?	624	2.530449	1.198863	1	5

Source: Formed based on research

As can be seen from the data in Table 1, the average values of responses given by respondents to questions have different values. This provides a basis to assume that the answers were not selected in a single system and that questions were answered by different respondents. In analyzing the factors related to housing provision for the population, we first focus on evaluating social factors.

Table 2
Social factors influencing responses to questions about housing choice and satisfaction

Indicator name	Coeff.	P>t	Coeff.	P>t
Statistical significance	F(24, 600)=2.90 Prob > F=0.0000		F(24, 600)=2.71 Prob > F=0.0000	
	Reasonable price		Very good	
How old are you?	.018	0.291	.008	0.592
Your gender	-.321	0.286	-.230	0.372
Number of family members	-.0156	0.829	.097	0.155
Is the house you live in purchased on a mortgage?	-1.02	0.000	.469	0.060
Do you (or did you) use the government's social protection program?	-.402	0.154	-.550	0.044
How many times have you changed your residence in the last five years?	-.088	0.461	-.022	0.869
_cons	1.499	0.072	-.734	0.377
	Close to Workplace		Average	
How old are you?	-.004	0.812	.014	0.344
Your gender	.420	0.132	-.396	0.103
Number of family members	.004	0.947	-.029	0.623
Is the house you live in purchased on a mortgage?	.146	0.592	-.436	0.047
Do you (or did you) use the government's social protection program?	-.369	0.238	.289	0.262

How many times have you changed your residence in the last five years?	.081	0.523	.029	0.786
_cons	-.992	0.311	.123	0.870
	Convenient infrastructure		Low	
How old are you?	-.028	0.075	.036	0.309
Your gender	-.079	0.761	-1.23	0.092
Number of family members	.008	0.893	-.064	0.631
Is the house you live in purchased on a mortgage?	-.623	0.011	-1.28	0.028
Do you (or did you) use the government's social protection program?	-.172	0.536	.147	0.779
How many times have you changed your residence in the last five years?	-.229	0.082	.079	0.684
_cons	2.28	0.005	-.178	0.908
	Due to close relatives		No	
How old are you?	-.019	0.242	.028	0.117
Your gender	-.012	0.970	-.098	0.752
Number of family members	.024	0.697	.207	0.002
Is the house you live in purchased on a mortgage?	1.08	0.003	.831	0.016
Do you (or did you) use the government's social protection program?	.098	0.814	-.383	0.310
How many times have you changed your residence in the last five years?	-.337	0.061	.104	0.475
cons	-2.06	0.056	-3.86	0.000
	No other choice		Good	
	(base outcome)		(base outcome)	

Source: Formed based on research

In this study, we aim to assess the reasons why respondents chose their current residences and evaluate some social factors that influence this choice. The data presented in Table 2 has been calculated using the multinomial logistic regression method, with the model's coefficients and statistical significance highlighted in the table. Based on this information, we were able to draw the following scientific conclusions:

Firstly, the main factor influencing respondents' choice of their current residence was the lack of other options. Additionally, they indicated satisfaction with the quality of their homes, rating it as good.

Secondly, those who stated that the price of their homes was "reasonable" also indicated that they had not purchased their homes on a mortgage. Furthermore, those who rated the quality of their homes as "very good" were more likely to have used a mortgage, but with a 5% probability, they did not use any government social protection programs. The remaining cases do not seem to be related to these categories.

Thirdly, for respondents who cited proximity to their workplace as a reason for their choice, it is clear that the social factors we selected did not influence their decision. Additionally, those who did not purchase their homes on a mortgage rated the quality as "average".

Fourthly, respondents who chose their homes due to "close relatives" indicated that they had purchased their homes on a mortgage. It should also be noted that these respondents were more likely to have changed homes frequently in the past five years. Furthermore, those dissatisfied with the quality of their homes tended to have smaller family sizes and purchased their homes on a mortgage.

Based on our research, we can make the following scientific conclusions:

The majority of the population seems to lack multiple options when choosing their homes, yet they rate the quality of their homes as good. This indicates the need to develop a competitive environment in the housing market by increasing the range of options available.

In cases where the price was considered reasonable, it is more common for homes to be purchased without a mortgage. In these cases, convenient infrastructure appears to be a key influencing factor. It should be noted that proximity to the workplace is not functioning as a significant factor in home choice.

It can be observed that when homes are purchased on a mortgage, smaller family sizes and the influence of close relatives play a role. This implies that families prefer not to live far from where their close relatives reside. However, there is a higher likelihood of dissatisfaction with the quality of homes purchased with a mortgage.

When it comes to housing, we will focus on analyzing the changing trends of economic factors that influence home choice and satisfaction with home quality. For this, we will use the Stata 17 software and apply the multinomial logistic regression method to assess the impact of economic factors.

In the models presented in Table 3, we analyze the factors influencing home choice and satisfaction with home quality. From this, we were able to draw the following scientific conclusions:

Firstly, just as social factors play a role, economic factors also show that the “lack of other options” and satisfaction with home quality, rated as “good”, are significant determinants.

Secondly, while a reasonable price has minimal impact on purchasing a home without a mortgage, it leads to a situation where half or more of the income is spent on the mortgage. Moreover, it should be noted that reasonable pricing is associated with either utilizing subsidies or not using government programs at all when purchasing a home.

Table 3
Economic factors influencing the responses to questions about housing choice and satisfaction

Indicator name	Coeff.	P>t	Coeff.	P>t
Statistical significance	F(28, 596)=3.96 Prob > F=0.0000		F(28, 596)=2.78 Prob > F=0.0000	
	Reasonable price		Very good	
Was the house you live in purchased with a mortgage?	-.779	0.014	.036	0.897
Do you have a savings account in a bank?	.004	0.991	-.114	0.754
How much of your income goes toward the mortgage?	.278	0.003	.131	0.098
What is your source of income?	.078	0.752	.311	0.194
Which government housing program have you used?	-.640	0.000	.180	0.241
In your opinion, which program is most convenient for purchasing a home?	.072	0.637	-.113	0.382
Under a government program, which of the following did you receive for your home?	-.054	0.629	.072	0.499
_cons	1.51	0.150	-1.83	0.072
	Close to workplace		Average	
Was the house you live in purchased with a mortgage?	.528	0.107	-.686	0.008
Do you have a savings account in a bank?	-.079	0.837	.486	0.171
How much of your income goes toward the mortgage?	.134	0.138	-.081	0.274
What is your source of income?	-.147	0.520	-.104	0.645
Which government housing program have you used?	-.359	0.039	.164	0.234
In your opinion, which program is most convenient for purchasing a home?	.101	0.532	.084	0.500
Under a government program, which of the following did you receive for your home?	-.240	0.046	.142	0.100
_cons	.0003	1.000	-.747	0.405
	Convenient infrastructure		Low	
Was the house you live in purchased with a mortgage?	-.273	0.303	-1.53	0.027
Do you have a savings account in a bank?	.791	0.060	.530	0.467
How much of your income goes toward the mortgage?	.062	0.449	-.201	0.218
What is your source of income?	-.270	0.321	.609	0.094

Which government housing program have you used?	-.139	0.364	-.153	0.497
In your opinion, which program is most convenient for purchasing a home?	-.142	0.291	-.200	0.526
Under a government program, which of the following did you receive for your home?	-.271	0.004	.453	0.041
_cons	.546	0.598	-2.10	0.277
	Due to close relatives		No	
Was the house you live in purchased with a mortgage?	.846	0.059	.472	0.227
Do you have a savings account in a bank?	-.015	0.976	-.367	0.399
How much of your income goes toward the mortgage?	.400	0.000	-.015	0.868
What is your source of income?	-.046	0.852	.549	0.026
Which government housing program have you used?	-.039	0.869	.351	0.071
In your opinion, which program is most convenient for purchasing a home?	-.083	0.658	.103	0.575
Under a government program, which of the following did you receive for your home?	-.058	0.686	.167	0.227
cons	-3.01	0.020	-4.26	0.000
	No other choice		Good	
	(base outcome)		(base outcome)	

Source: Formed based on research

At the same time, it can be observed that those who are “very good” with the quality of their homes tend to spend half of their income on it, which shows a slight statistical significance.

Thirdly, in the category of choosing a home based on its “close to the workplace”, we see that using government housing subsidy programs or not using any programs at all has negligible statistical significance. Additionally, we note that people tend to prefer low-interest mortgage programs.

Those who bought homes with cash and rated the quality as “average” are generally those who found cash purchases and government-built courtyard-style housing programs convenient.

Fourthly, choosing a home based on “convenient infrastructure” is linked not only to cash purchases but also to having a savings account in a bank. Moreover, this factor shows insignificant statistical significance concerning the decision not to use any government programs.

People who rated their satisfaction with the quality of their home as “low” are less likely to have used a mortgage. Furthermore, owning a business or working in government organizations appears to contribute to lower satisfaction with housing quality. Those who benefited from government subsidies also indicated low satisfaction with the quality of their homes.

Fifthly, individuals who purchase homes with a mortgage and spend half or more of their income on repayments tend to choose their homes due to the “due to close relatives”.

Dissatisfaction with the quality of housing is more likely to occur among those with a stable income source and those who utilized government programs to build courtyard-style housing.

From an economic perspective, we attempted to generalize the following scientific approaches that may influence trends in housing selection and satisfaction:

Although the population has limited choices when selecting homes, they still rate their satisfaction with housing quality as high.

The importance of social infrastructure in housing choice plays a decisive role in cases of cash purchases without a mortgage. However, the influence of close relatives is more pronounced when using government programs or mortgage programs.

While “very good” satisfaction with housing quality may occur when using one of the housing programs, factors such as income stability seem to lead to dissatisfaction with housing quality

4. Conclusion

In conclusion, we can observe that economic factors have a significant impact on the development of housing programs. It is important to note that families tend not to choose residential areas far from their close relatives and that their satisfaction with housing quality is at least “good”.

In our view, government programs have a noticeable effect on housing provision. While the population with stable income tends to select homes based more on the influence of social infrastructure, those benefiting from government programs are trying to find homes in residential areas not far from their close relatives. Additionally, it can be seen that the rising price of housing does not have a significant impact.

We believe that providing more options for housing and ensuring that family clinics and schools are conveniently located in residential areas is appropriate. This would ensure that the population can reliably and conveniently access social infrastructure services, contributing to their well-being.

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