

CONCEPT AND THEORETICAL FOUNDATIONS OF FINANCIAL LITERACY

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Abstract. This article describes the content of regulatory documents adopted in our country to improve the level of financial literacy of the population and their priorities. Scientific works of foreign and domestic scientists devoted to financial literacy were also analyzed. The concept of "financial literacy" based on the acquisition of financial and economic knowledge, skills and abilities to make financial decisions is defined and their components are described.

Keywords: financial literacy, human economic behavior, increasing popularity of financial services, financial abuse, financial innovation, financial sector, mass media, financial thinking.

ПОНЯТИЕ И ТЕОРЕТИЧЕСКИЕ ОСНОВЫ ФИНАНСОВОЙ ГРАМОТНОСТИ

Аннотация. В данной статье описано содержание нормативных документов, принятых в нашей стране для повышения уровня финансовой грамотности населения и их приоритеты. Также были проанализированы научные работы зарубежных и отечественных ученых, посвященные финансовой грамотности. Определено понятие «финансовая грамотность», основанное на приобретении финансово-экономических знаний, навыков и умений принимать финансовые решения и описаны их составляющие.

Ключевые слова: финансовая грамотность, экономическое поведение человека, растущая популярность финансовых услуг, финансовые злоупотребления, финансовые инновации, финансовый сектор, средства массовой информации, финансовое мышление.

The priority of scientific research to improve the theoretical aspects of improving the level of financial literacy of the population in developed countries and increase the effectiveness of national government programs, the development of targeted government programs to improve the level of financial literacy of the population in developing countries with market economy, improving the mechanism of their implementation, financial literacy programs. Scientific research devoted to strengthening the position of financial organizations, including commercial banks, in enriching them with the components of market economy, improving the level of financial literacy of the population is becoming more active. During the years of independence in Uzbekistan, the financial system was formed based on the requirements of market economy and is constantly improving.

Decree of the President of the Republic of Uzbekistan of January 9, 2018 «On measures for radical improvement of the activity of the Central Bank of the Republic of Uzbekistan» Resolution № PF 5296 of April 13, 2021 «On measures for further development of the capital market» Resolution № PF 6207 of January 28, 2022 «On the Strategy for the Development of New Uzbekistan for 2022-2026» Resolution №PF60 of July 23, 2019 «On measures to increase the

popularity of microfinance services» Resolution № PQ 4400 [1], «National Strategy to increase the popularity of financial services for 2021-2023», approved by the Coordinating Council for the development and further implementation of the National Strategy to increase the popularity of financial services and practical work on the implementation of these tasks defined in other regulatory legal documents to varying degrees specified in the article.

Increasing the level of financial literacy of the population is a necessary part of rapid development of any country participating in international economic relations, including modern Uzbekistan. In such a situation, one of the main goals set by the government is to "equip" citizens with information and educational tools for effective management of personal funds and, as a consequence, equal participation in the socio-economic life of the country. The solution of this problem requires a comprehensive approach and involvement of specialists of various structures and organizations of regional organizations in this process.

The need to improve financial literacy of the population was clearly manifested in the causes of the global financial and economic crisis that occurred in 2008 and its negative consequences. In particular, in most developed countries, the growth of external debt, excessive risk taking and deficiencies in risk management had a negative impact on the objective formation of the price of financial assets and real assets in the financial sector[3]. They manifested themselves in the following:

- in a number of developed countries, the development of financial innovation at a steady pace, the increase in the volume of financial products, and the increase in consumer debt through domestic and external sources of financing on favorable terms;
- the underdevelopment of the financial sector in developing countries has led to the channeling of excess savings to finance the deficits of developed economies;
- asymmetry in the international monetary system: after the collapse of the Bretton Woods system, most developing countries use a controlled floating exchange rate regime, while developed countries have introduced a free floating exchange rate regime.

Based on the above, improving financial literacy of the population in the context of sustainable development of financial and economic relations becomes an urgent global problem.

Although the content of theoretical views on the concept of financial literacy varies, their single idea is that the main condition for financial independence and well-being of a person is related to his/her financial literacy. The theoretical foundations of financial literacy are important for the perfect development of various strategies, concepts, programs and measures developed by the states to improve financial literacy of the population and their effective implementation.

Financial relations affect all spheres of life of a modern person. Financial literacy allows people to manage their financial well-being. Lack of basic financial knowledge and skills limits people's ability to make the right decisions regarding their financial well-being.

At the macroeconomic level, lower levels of financial literacy constrain the development of financial markets. In particular, it undermines trust in financial institutions and government policies to regulate them, putting additional pressure on budgets at all levels and slowing down economic growth. Lack of knowledge and trust of citizens in financial markets, lack of understanding of contractual relations and basic principles of financing hamper the development

of entrepreneurship and small business: people do not know how to start a business, organize a business project.

Documents of the Organization for Economic Cooperation and Development (IHRT) officially define financial literacy as follows: «Financial literacy is the awareness, knowledge, skills, values (life orientations) that enable an individual to make informed financial decisions to achieve personal financial well-being» -being. «and a set of elements such as behavior». [2]

In our opinion, in order to correctly and accurately analyze the level of financial literacy of the population, we believe it is advisable to conduct the study based on its scale. Based on the results of the analysis, it is advisable to group the level of financial literacy by individuals, households, regions, enterprises, a certain sector of the economy and the country as a whole (see Figure 1).

Authors	Description	Analyzing its characteristics
Weber M. [4]	"Human economic behavior is a cultural way of controlling the resources owned by the subject and exercises control over resources subjectively and objectively in terms of the economic utility of resources"	Financial literacy of the population is an integral part of an individual's financial behavior and is mutually proportional to economic literacy.
Drucker P. [5]	"A person's level of economic and financial literacy determines his or her attitudes toward money and goods and services in the marketplace."	Financial literacy is a concept related to economic literacy, which is shaped and developed by a person over the course of a lifetime.
Kiyosaki R. [6]	"Financial literacy is the result of economic and financial knowledge that is initially explained by earning money, saving, consciously channeling savings into high-impact investments, increasing income and improving one's life."	An individual's financial literacy is related to earning, saving and making effective investment decisions to improve it.
L.N. [7]	«Financial literacy means more than just information or opportunities. Financial literacy education activities should be multifaceted and should be defined as part of the education of children and adults who learn only in the formal education system»	Financial literacy is a person's level of financial competence in performing real financial transactions in the financial market.
Stakhovich L.V. [8]	«Financial literacy is a person's financial and economic knowledge acquired in school, college, and	The basics of financial literacy of a person are formed on the basis of knowledge

	higher education and skills developed in his or her life»	acquired in educational institutions, qualifications and skills acquired in life.
Vakhabov A.V. [9]	Financial literacy manifests itself as the sum of knowledge and skills required for a citizen to take an active position in the market of financial products and services, to improve the well-being of themselves and their family members in society.	Financial literacy of an individual means effective and active use of his/her knowledge and skills in serving the financial market.
Shadmanov E. [10]	Financial judgment is the skill and behavior in evaluating decisions about investing funds.	Describes the development of financial thinking and positive change in the financial position and structural structure of the population in providing economic well-being.

Conclusions and suggestions

At the end of our article on the theoretical foundations for improving financial literacy of the population, the following conclusions were drawn:

First, financial literacy means having positive financial behavior, basic economic and financial knowledge, skills and competencies, as well as having experience in financial resource management, short- and long-term planning and effective management.

Secondly, financial relations affect all spheres of modern man's life. Financial literacy allows people to manage their financial well-being. Lack of basic financial knowledge and skills limits people's ability to make informed decisions to ensure their financial well-being.

Thirdly, it is appropriate to categorize into groups on the scale of financial literacy, individual, household, business relations, by specific economy and in general for the country. By realizing this type of grouping, it becomes possible to accurately assess the impact of improving the literacy level of the population on the economy of the country.

Taking into account the urgency of improving financial literacy of the population of Uzbekistan, it is advisable to realize the following in our country:

- inclusion of financial literacy in the curricula of schoolchildren, academic lyceums and vocational colleges, and higher education institutions;

- electronic textbook, video lesson to improve the level of financial literacy of schoolchildren, academic lyceums and vocational colleges, students and students of higher educational institutions, including the formation of young people's knowledge, skills and qualifications on the basics of basic financial literacy, the creation of a mobile application;

- improvement of knowledge, skills and qualification of the population and entrepreneurs in the field of Islamic finance, including the preparation and publication of popular scientific articles and books, gradual development of banking products and services based on Islamic

principles in commercial banks, special broadcasting on this topic in the media and organization of short publications;

- assessment of the level of financial literacy of the working-age population, taking into account their professional orientation, and implementation of measures aimed at its improvement;
- presenting to the population regular programs, TV and radio quizzes aimed at improving financial literacy of the population through mass media;
- development of financial literacy programs for business entities;
- organization of «centers for improving financial literacy of clients» at financial institutions, including commercial banks;
- formation of knowledge and skills of the population about financial products, services, financial market, its structural components;

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