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CONCEPTUAL FOUNDATIONS OF THE FORMATION OF SOCIAL PROTECTION INSTITUTIONS

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Abstract
This article provides an in-depth analysis of the conceptual foundations of institutional approaches to ensuring social protection. The author identifies groups of institutions that serve the population—namely legal, regulatory, human capital development, and financial risk management institutions—and discusses their role in economic stability. The study highlights the importance of integrating modern innovative changes into social institutions, particularly the need to enhance efficiency through digitalization. Drawing from historical and international experiences, especially those of the United States and Asian countries, the article examines the practical outcomes of institutional reforms and emphasizes the importance of dynamic and context-sensitive institutional development. Both theoretical and practical perspectives are presented on the adaptability of institutions within socio-economic environments, their renewal mechanisms, and the principles of institutional regulation.

Keywords: Social protection, institutional change, legal institutions, economic stability, human capital, innovation, digitalization, state governance, international experience, economic crisis, social institutions.

Annotatsiya:
Ushbu maqolada aholining ijtimoiy himoyasini ta'minlashda institutsional yondashuvlarning konseptual asoslari chuqur tahlil qilinadi. Muallif aholiga xizmat qiluvchi huquqiy, tartibga soluvchi, inson kapitalini rivojlantiruvchi hamda moliyaviy xavflarni tartibga soluvchi institutlar guruhini belgilaydi va ularning iqtisodiy

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barqarorlikdagi o‘rni haqida fikr yuritadi. Shuningdek, maqolada ijtimoiy institutlarning zamonaviy innovatsion o‘zgarishlar bilan uyg‘unlashuvi, ularning raqamlashtirish jarayonlari orqali samaradorligini oshirish zarurligi ko‘rsatib o‘tilgan. Tarixiy va xalqaro tajriba asosida, xususan AQSh va Osiyo mamlakatlari misolida institutsional islohotlarning amaliy natijalari tahlil qilinib, institutlar faoliyatining dinamik va kontekstga mos ravishda shakllanishi muhimligi asoslab berilgan. Institutlarning iqtisodiy-ijtimoiy muhitdagi moslashuvi, yangilanish mexanizmlari va ularni tartibga solish tamoyillari haqida nazariy hamda amaliy yondashuvlar yoritiladi.

Kalit so‘zlar: ijtimoiy himoya, institutsional o‘zgarish, huquqiy institutlar, iqtisodiy barqarorlik, inson kapitali, innovatsiya, raqamlashtirish, davlat boshqaruvi, xalqaro tajriba, iqtisodiy inqiroz, ijtimoiy institutlar.

Introduction

The institutional foundations of the social protection system are a set of specific historical activities of subjects, management objects, subject-object relations that arise in the course of performing objective socio-economic functions for the development of society at all levels of economic management.

In the development and progress of society, socio-economic and organizational issues, implementation of institutional reforms in accordance with the requirements of the time are of particular importance. For these changes to be successful, it is necessary to achieve a balance in the model of the “Socio-economic System of Society”. It requires, on the one hand, the establishment of new economic relations, the abandonment of relations that hinder the development of society, and, on the other hand, the consistent implementation of institutional changes.

Institutions can be viewed in a broad sense as a set of mechanisms and rules that ensure the redistribution of resources in the economy, the attraction of new investments, the training of labor resources, the formation of a system for stimulating economic efficiency, and can be conditionally divided into the following main groups (Table 1).

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1- Table Grouping of social protection institutions [1]

Name of institutions	Institutional activities
Legal institutions	Institutions operating in the legislative, judicial, and administrative systems for social protection of the population
Regulatory institutions	Bodies that manage and regulate various aspects of the daily activities of enterprises, as well as have the right to terminate their activities
Human capital development institutions	Institutions in the field of health care, education, and social security
Risk sharing and regulatory institutions	Institutions that provide high-level development of financial institutions, such as the credit and banking system, stock markets, and pension funds

1. Legal institutions. This group includes institutions of the legislative, judicial, and administrative systems aimed at ensuring the inviolability of individuals and property. The quality of legal institutions reflects and influences the main characteristics of the national economy.
2. Regulatory institutions. Regulatory institutions and institutions include bodies that manage and regulate various aspects of the daily activities of enterprises, as well as those that have the right to terminate their activities. Some regulatory bodies are state, others are private (self-governing), and in developed countries, the role of self-regulation is usually higher than in developing countries.
3. Human capital development institutions: include institutions in the field of health care, education, and social security. The role of the human factor places great demands on education and health care. In this regard, the tasks of increasing the efficiency of the social sphere and improving the access of society members to a minimum level of social services, regardless of their income, are becoming increasingly urgent.
4. Risk-sharing and regulatory institutions. The high efficiency of the market economy in developed countries is largely due to the high level of development of financial institutions such as the credit and banking system, stock markets, and pension funds. Their effective functioning is facilitated by the optimal distribution of economic resources and the reduction of transaction costs through the integration, saving, and mobilization of financial resources, the regulation of the activities of

[1] Муаллиф томонидан тузилган.

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small and medium-sized investors. Risk-sharing, coordination, and distribution institutions include insurance companies and state insurance institutions (for example, deposit insurance), investment funds that help implement risky but potentially profitable projects, private and public venture companies, and agencies. From a neo-institutional perspective, "institutional change" is the emergence of a set of new relations, rules of selection, opportunities, in accordance with changes in science, knowledge, social values, which, in turn, require the establishment of new ratios between the benefits received and the costs, and a set of relationships that serve to expand reproduction. Changing institutions is a change in the institutional environment, the structure of institutions. Any reform is a fundamental institutional change.

The peculiarity of institutional changes related to social protection of the population today is their innovation. Innovation is aimed at digitizing all processes, increasing their speed and efficiency. Because the sustainable development of the economy directly depends on the effective functioning of institutions. According to the American economist R. Nelson, "the development of economic institutions is their normative state"[2].

The experience of developed countries that have introduced social protection institutions shows that changes in them have never been achieved quickly, leaving society as it is. It is very important for humanity to understand the subjective need for institutional changes in a timely manner. The extent to which this is important can be seen in the example of economic crises. The Great Depression, which occurred in the United States in 1929-1933 and later spread to several countries around the world, shows how important it is to implement institutional changes in the country's social protection system in a timely manner. US President Roosevelt used non-standard solutions to overcome the economic crisis, namely a policy of active state regulation of the economy. The unemployment rate in the United States reached 33 percent, GDP in 1933 decreased by 31 percent compared to 1929, and the inflation rate increased. Roosevelt introduced minimum wage and working hours, working conditions, fair competition codes for most companies, expanded the powers of the Federal Reserve, and introduced a new institution, such as the Federal Emergency Management Agency. Companies were forced to provide employment to a certain extent to the

[2] Нельсон Р., Уинтер С. Эволюционная теория экономических изменений. М.: Финстатинформ. – 2000. – С. 31-32.

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unemployed, pay the minimum wage, and bring working conditions to the required level. As a result of institutional changes in the social sphere, 10 million new jobs were created in 3 years, inflation and GDP growth were stopped. In implementing institutional changes, the state performed the task of creating modern institutions and selecting alternative institutions that were appropriate to the current situation. The US state was able to effectively cope with this task when overcoming the economic crisis of 1929-1933.

“The institutional structure of the social protection system in Eastern countries is such that they have preserved the basis of the national way of life in society and, taking into account their own specific characteristics, have successfully mastered the institutional matrix of Western countries and effectively implemented it in real life. In particular, in modern China, institutional changes in the social sphere have yielded high results. For more than twenty years, China's GDP growth has been maintained at 10 percent per year, and ten years ago, in 2014, it became the world's largest economy.” The institutional changes implemented in the social protection system in some Asian countries can also be analyzed and lessons learned from them. “These include countries such as the Asian tigers, Japan, Thailand. Countries such as Japan, South Korea, and Taiwan, effectively using modern Western technologies, have preserved their socio-cultural foundations and made a real economic leap.” The success of their reforms lies in the fact that they have preserved their core institutions and have created a new blend of Eastern and Western institutions in the social sphere. Thus, it can be said that the adaptation of some elements of the historical experience of Western countries in the social protection system to the Eastern institutional system has shown its positive results in practice. Therefore, the introduction of new and effective social protection institutions that do not duplicate each other's tasks is a key factor determining the direction of development of countries.

Analysis of the laws of functioning and change of social protection institutions, determination of the place of the state and the real sector in this process should be carried out on the basis of certain criteria. To scientifically substantiate this, it is necessary to study the laws, rules, requirements, principles and criteria for implementing institutional changes in the social sphere.

Most institutional changes carry out a certain transformation in the institutional system and the internal environment of the social sphere. Therefore, we need to study

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the impact of exogenous factors on institutional changes in the social sphere, first of all.

In most cases, entrepreneurs participate as objects of institutional changes in the social sphere. They make choices and make decisions from their subjective point of view. Entrepreneurs generalize mental models based on the experience and knowledge gained in the process of production and service provision. In this regard, the economist-scientist Y. Schumpeter wrote: "our thoughts, feelings and actions often become habitual for us at the individual or group level, allowing us to perform many tasks automatically and significantly facilitating the performance of tasks in the production process."

In addition to internal factors of institutional changes in the social sphere, external factors also play an important role. External factors are manifested in the framework of the influence of the state on developed countries or international organizations. After Russia's military operation in Ukraine, under pressure from the United States and European countries, most countries of the world announced sanctions against Russia. However, some countries remain neutral. These include China, Turkey, India, Brazil and other countries. The United States and European countries can impose their own conditions on the introduction of loans to developing countries and the development of trade with them, determining the changes in social institutions.

In the social sphere, institutional changes in countries are carried out based on the need for the renewal of existing institutions. The old institutional system can slow down economic growth and even lead to a complete halt in development. When determining the path of sustainable development, it is necessary to analyze the ways and possibilities of creating alternative institutions and their effective use.

The need to replace old social institutions with new ones in a country arises as a result of stagnation in the economy, increased unemployment and inflation, and changes in the external environment. At the same time, bringing the country to a new level of development and political changes in the state lead to the introduction of new institutions. Usually, this situation in economics is called a "transition period" and is accompanied by an increase in the level of freedom and the implementation of new economic institutions that are fundamentally different from the previous ones.

Institutional changes in the social sphere can also arise as a result of conscious actions of society, and naturally through trial and error. Constant technological, social and political changes lead to the replacement of old institutions with new ones.

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As a result of interpreting the concepts of institutional changes in the social sphere, it is possible to distinguish institutions that operate openly or covertly in the production process. New norms are constantly emerging. Norms that are compatible with the socio-economic system operate and develop, while those that are incompatible are temporary in nature.

Institutions and institutional changes constitute a certain institutional environment of society. They are not static, but dynamic in nature, that is, they are constantly updated. Although the main institutions retain their content as an important link between the main areas of activity of the real sector in society, they are constantly evolving in life due to their changing nature. Prominent representatives of the institutional direction refer to informal institutions as traditions, customs, ethics, morals, and values, structures inherent in mentality, that is, spiritual and social institutions that limit people's efforts and choices.

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