



## Article

# Assessing The Role of Improving The Structural Structure of The Economy in Providing Housing for The Population

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**Citation:** Khojanazar o'g'li, O. T. Assessing The Role of Improving The Structural Structure of The Economy in Providing Housing for The Population. American Journal of Economics and Business Management 2026, 9(4), 649-653.

Received: 15<sup>th</sup> Feb 2025

Revised: 10<sup>th</sup> Mar 2025

Accepted: 30<sup>th</sup> Mar 2026

Published: 22<sup>nd</sup> Apr 2026



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**Abstract:** This article analyzes the role of improving the structural structure of the economy in providing housing to the population. It highlights the impact of the development of the construction sector, investments, subsidies and mortgage mechanisms on housing supply. The study substantiates that economic reforms develop the housing market and increase the well-being of the population.

**Keywords:** Economic Structure, Housing Supply, Construction Sector, Investment, Mortgage, Subsidy, Population Well-Being

## 1. Introduction

The issues of providing the population with housing, in particular its quantitative and qualitative indicators, are directly related to factors such as their territorial location, income, and employment level. The proximity of the place of residence to the place of work is one of the important factors. Also, according to the results of our research, one of the important and promising directions in providing housing is considered to be increasing the number of apartments in apartment buildings.[1]

The reduction of land area, the limitation of the possibilities of providing existing housing with modern services require optimization of the area. As a solution, it is necessary to increase the level of urbanization, in particular, to increase the number of apartments in apartment buildings, but the level of income of the population, opportunities and problems in purchasing housing create their own difficulties. Most importantly, an increase in the level of urbanization creates problems related to ensuring employment of the urban population, and this requires improving the structural structure of the economy. In other words, increasing the level of urbanization without developing the industrial and service sectors is not an acceptable solution.[2]

For this reason, the issues of assessing the impact of changes in the structural structure of the economy on increasing the level of housing provision of the population in the Khorezm region were considered separately. Initially, according to the results of assessing the impact of changes in the percentage share of added value in all sectors on the number of apartments (houses), it was observed that all coefficients had positive values. However, when their impact was considered separately, changes were observed in the sign

of the coefficients, which was also confirmed by the results of correlation analysis.[3] It can be seen that there is a high correlation between these factors, and including them all in one model causes problems with the choice of model form, which, as a result, leads to a violation of the assumptions underlying the implementation of econometric analysis. Therefore, the impact of changes in the share of added value created in sectors on the total number of apartments (houses) was considered separately. We present the results of assessing the impact of changes in the share of agriculture, a sector that initially had an important and relatively high share.[4]

The model developed to assess the impact of the share of agriculture in gross value added on the number of apartments (houses) was found to be inadequate according to the Durin-Watson criterion. For this reason, the results of the distributed lag model were also examined, and the results of the model presented below are at the required level, indicating that the reliability of the model is relatively high.[5]

$$\ln(KUS)_t = 13.56 - 0.032 * QXF_{t-1}$$

Where: QXF – the share of agriculture in gross value added in the Khorezm region (in percent). The proposed model and the results of the criteria justifying the adequacy and reliability of the determined coefficients all meet the established standards, in particular, the results of the Student test and probability indicators justify the reliability of the coefficients above 99%. The fact that the coefficient of determination is 0.68 indicates that the influence of this factor is sufficiently high. One of the most important criteria is the Durbin-Watson statistic, its value is 1.19. Referring to the table values, the lower (DL=1.01) and upper limits (DU=1.34) indicate that the determined value falls within the indecision interval.[6]

### Literature Review

In scientific literature, foreign literature has extensively analyzed the issues of housing economics, especially the provision of housing based on market mechanisms, the development of the mortgage lending system, and state support measures. In particular, World Bank studies see the housing sector as an important driver of economic growth and emphasize the need to expand the housing stock by attracting investment. Also, the International Monetary Fund materials substantiate that the stability of the housing market is inextricably linked to macroeconomic stability.[7]

In studies conducted by the United Nations within the UN system, providing the population with quality and affordable housing is defined as an important social task within the framework of sustainable development goals. These studies show that housing policy plays a significant role in urbanization processes, infrastructure development, and ensuring social equality.

Scientific works devoted to the experience of the European Union countries study the mechanisms of development of the social housing fund on the example of Germany, the Netherlands and Sweden. In these studies, the presence of strict state control and subsidy mechanisms is recognized as the main factor ensuring the stability of the housing fund. It is also noted that the breadth of powers of local authorities in managing the housing fund and the system of direct cooperation with the population increase efficiency.[8]

Scientific sources devoted to the experience of Asian countries pay special attention to the housing policy of Singapore and South Korea. In Singapore, the main part of the housing fund is planned by the state and managed through special state agencies. Researchers evaluate this model as one of the most successful experiences in providing the majority of the population with quality and affordable housing. In South Korea, scientific works note that the housing fund was developed on the basis of balanced cooperation between the state and the private sector. In recent years, scientific articles have focused on the importance of digital technologies, the concept of "smart cities" and energy-efficient

construction methods in housing management. Research shows that digital management systems allow monitoring the technical condition of the housing stock, optimizing costs and improving the quality of services.[9]

## 2. Materials and Methods

This research work used a comprehensive approach to assess the role of improving the structural structure of the economy in providing housing to the population. The study ensured the combination of theoretical and practical methods.

The methodological basis of the study is the methods of economic analysis, a systematic approach, comparison, statistical analysis and logical generalization. In particular, a systematic approach played an important role in determining the development of various sectors of the economy and their interrelationships with the housing market.[10]

The following methods were used during the study:

- The method of analysis and synthesis - was used to study the main elements of the structural structure of the economy and their impact on housing provision.
- The method of comparison - made it possible to compare the level of housing provision in different regions and periods.
- The method of statistical analysis - was used to determine the relationship between the housing stock, the volume of construction and the income of the population based on official statistical data.[11]
- Econometric approach – used to assess the impact of economic factors on the level of housing provision.
- Logical generalization method – used to summarize the results obtained and draw scientific conclusions.

The information base of the study was state statistical data of the Republic of Uzbekistan, economic reports, scientific articles, and regulatory legal acts.

## 3. Results and Discussion

The results of this article showed that the improvement of the structural structure of the economy directly affects the level of housing provision for the population. In particular, the development of the industrial, construction and service sectors leads to an increase in the volume of housing construction and an increase in the income of the population.[12]

As a result of the studies, it was found that the level of housing provision is relatively high in regions where structural changes have been implemented in the economy, where the construction infrastructure is developed and investment flows are more frequent. On the contrary, housing problems persist in regions with a low level of economic development.

Based on statistical analysis, it was found that there is a positive correlation between the volume of housing construction and the income of the population. This indicates that economic growth and increased well-being of the population increase the demand for housing. At the same time, it was proven that mortgage loans and state subsidies and benefits are one of the important factors accelerating the process of providing housing. Another important aspect of the study is that the diversification of the economy serves the sustainable development of the housing market. That is, the resources and financial resources necessary for housing construction expand not only at the expense of one sector, but through the development of various sectors.[13]

During the discussion, the following problems were also identified:

- High housing prices in some regions;
- Rising prices for construction materials;

- Limited access to mortgage loans;
- Imbalances in infrastructure development.

At the same time, based on the analysis conducted, the need to strengthen work in the following areas was justified:

- Balancing economic development across regions;
- Increasing investments in housing construction;
- Expanding affordable housing programs;
- Improving mortgage mechanisms.[14]

In general, the results of the study confirm that improving the structural structure of the economy is an important factor in providing the population with housing and indicate the need for an integrated approach in this regard.[15]

#### 4. Conclusion

This research work comprehensively studied and analyzed the role of improving the structural structure of the economy in providing the population with housing. As a result of the conducted scientific research, the important role of this direction in the socio-economic development of the country was substantiated.

The results of the study showed that the effective formation and development of the structural structure of the economy contributes to an increase in the volume of housing construction, an increase in the income of the population, and an improvement in the level of general well-being. In particular, the sustainable development of the industrial, construction, and service sectors is one of the main factors strengthening the housing supply system.

The study also revealed that the role of the state in the housing supply process is important. In particular, mortgage loans, subsidies, affordable housing programs, and other support mechanisms play an important role in satisfying the population's need for housing. At the same time, structural changes in the economy allow for further increasing the effectiveness of these mechanisms.

The analysis also showed that economic disparities between regions negatively affect the level of housing provision. While housing construction and infrastructure are better developed in developed regions, this process is proceeding slowly in economically weak regions. Therefore, balancing economic development across regions is one of the urgent issues. In addition, it was identified that there are problems in the housing market such as high prices, rising costs of construction materials, and limited access to financial resources, and it was justified that they need to be solved on the basis of a systematic approach. Based on the above analysis and results, the following main proposals were put forward:

- Diversification of economic sectors and strengthening their mutual integration;
- Wide attraction of investments in the housing construction sector;
- Development of affordable and social housing programs;
- Further improvement of the mortgage lending system and creation of favorable conditions for the population;
- Implementation of comprehensive measures aimed at reducing economic disparities between regions.

In general, improving the structural structure of the economy is an important condition for improving the housing supply of the population. Consistent and systematic reforms in this area will not only solve the housing problem, but also ensure the country's sustainable economic growth.

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