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Institutional Fragmentation in Social Protection Governance and Its Regional Pension Outcomes: Empirical Evidence from Uzbekistan (2010–2024)

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Abstract: This article empirically assesses the impact of institutional fragmentation in social protection governance on regional pension outcomes in Uzbekistan over 2010–2024. Fragmentation refers to the dispersed administration of social services across multiple ministries — a structural problem officially acknowledged by President Mirziyoyev on May 30, 2023, at the 11th Congress of the UzLiDeP party, who stated: "In Uzbekistan currently social services are provided in six different ministries. They will be streamlined to a newly formed agency to ensure a better coordination." Official panel data from the Statistical Agency of Uzbekistan covering 15 regions (2010–2024, N=240) are combined with the ILO/UNICEF/World Bank CODI diagnostic report (2020) and official NASP establishment documents. The coefficient of variation (CoV) of beneficiary coverage serves as a proxy fragmentation index. This is the first quantitative study linking social protection institutional fragmentation to regional pension inequality in Uzbekistan. The 1.65x pension gap between Tashkent city (2,084.1 thousand soums, 2024) and Namangan region (1,263.2 thousand soums) is attributed to governance structure rather than economic factors alone. The CoV rose from 12.4% (2010) to 16.1% (2022). The 2023 NASP reform — unifying social services from six ministries into one agency — is a necessary institutional step; however, 2024 data show fragmentation effects have not yet been fully eliminated.

Keywords: institutional fragmentation; social protection governance; regional pension inequality; NASP; Uzbekistan; panel data.

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1. Introduction

Uzbekistan has embarked on an ambitious social protection reform since 2017. However, a critical systemic problem persisted until 2023: social services were administered in a fragmented manner across multiple ministries. President Mirziyoyev officially acknowledged this on May 30, 2023, at the 11th Congress of the UzLiDeP party, stating: "In Uzbekistan currently social services are provided in six different ministries. They will be streamlined to a newly formed agency to ensure a better coordination." [1] The following day, on June 1, 2023, a Presidential Decree established the National Agency for Social Protection (NASP) under the President of Uzbekistan.[2]

The World Bank explicitly documented the pre-NASP fragmentation structure: the Ministry of Economy and Finance was responsible for social assistance and pensions; the Ministry of Employment and Poverty Reduction for active and passive labor market programs; the Ministry of Health for social care services, long-term care and disability assessment. [3] Additionally, the Ministries of Preschool and School Education, Higher Education, the Ministry of Internal Affairs and local administrations each managed

separate social service components. In total, approximately 65 programs were dispersed across these institutions.

ILO, UNICEF and the World Bank, in their joint statement, described the NASP establishment as "a critical step to help address fragmentation or gaps in the social protection functions" [4]. UNICEF documented the consequence of this fragmentation: "Only one out of three persons living in poverty received some social benefits." [5].

Yet the academic literature leaves a critical question unanswered: how much and through what mechanisms did the governance fragmentation shape regional pension outcomes, and are the effects detectable in 2024 data following the NASP reform? This article addresses precisely this question.

Research questions: How much did regional pension inequality grow during the fragmentation period (2010–2022)? How does the beneficiary coverage CoV correlate with pension amounts? Are the effects of the 2023 NASP reform detectable in 2024 data? Did the minimum pension maintain its real value against inflation?

First empirical study quantitatively linking social protection fragmentation to regional pension inequality in Uzbekistan; First integration of O'zRStat panel data with the ILO/UNICEF/WB CODI diagnostic report; Earliest assessment of NASP reform effects using 2024 data[6].

Literature Review

Fragmentation theory in social policy literature has been studied as a governance coordination problem. Pierson shows in his path dependency framework that fragmentation is a distinctive feature of post-Soviet systems carrying institutional legacies from the Soviet period. Korpi and Palme demonstrated across 18 OECD countries the "paradox of redistribution": targeted (fragmented) programs redistribute less than universal ones. [7]

In the post-Soviet context, Cook documented the inverse relationship between fragmentation and coverage in Russia, Ukraine and Central Asia. [8] The ILO/UNICEF/World Bank CODI report assessed Uzbekistan's fragmentation across four dimensions: policy level, delivery mechanisms, financing and monitoring, concluding that "the myriad of small-scale programs spread across many different beneficiaries" undermines impact on poverty and vulnerability, and that strategic consolidation is required. [9]

No existing study links governance fragmentation to regional pension disparities in Uzbekistan specifically. Azimov and Rashidova focus exclusively on economic determinants. [10] This gap motivates the present article. Barca et al., analysing 12 country integration experiences, found that coordination gains appear with a 3–5 year lag following institutional integration. [11] Lustig identifies fragmentation and weak monitoring as the primary constraints on transfer effectiveness. [12]

2. Materials and Methods

Three independent data sources are used. First source is official SDMX-format panel data from the Statistical Agency of Uzbekistan — annual indicators across 15 administrative units: average monthly pension, number of recipients, recipients per 10,000 population, minimum age pension, pension growth rate. Last updated: August 23, 2025. Source 2: ILO/UNICEF/World Bank joint CODI diagnostic report. Source 3: Presidential speech and official decrees on NASP establishment.

Since a sub-national institutional quality index does not exist for Uzbekistan (the World Bank WGI is computed at national level only), the coefficient of variation of beneficiary coverage ($CoV = \sigma/\mu \times 100\%$) serves as a proxy fragmentation variable. In a fragmented system, inter-regional coverage variation is large (high CoV); in an integrated system it is more uniform (low CoV). This approach has been applied and validated in Cook and Barca et al.

3. Result and Discussion

Results

Between 2012 and 2024, the national average monthly pension rose from 274.0 to 1,495.6 thousand soums. CAGR is nearly identical across all regions, 13.5–14.9%. However, the absolute baseline gap is widening: in 2012, the gap between Tashkent city and Namangan was 101.3 thousand soums; by 2024 it had grown to 820.9 thousand soums, 1.65x. Uniform growth rates with diverging baselines confirm that fragmentation locks in initial inequalities rather than reducing them.

Table 2. Average monthly pension by region (thousand soums, current prices), 2012–2024

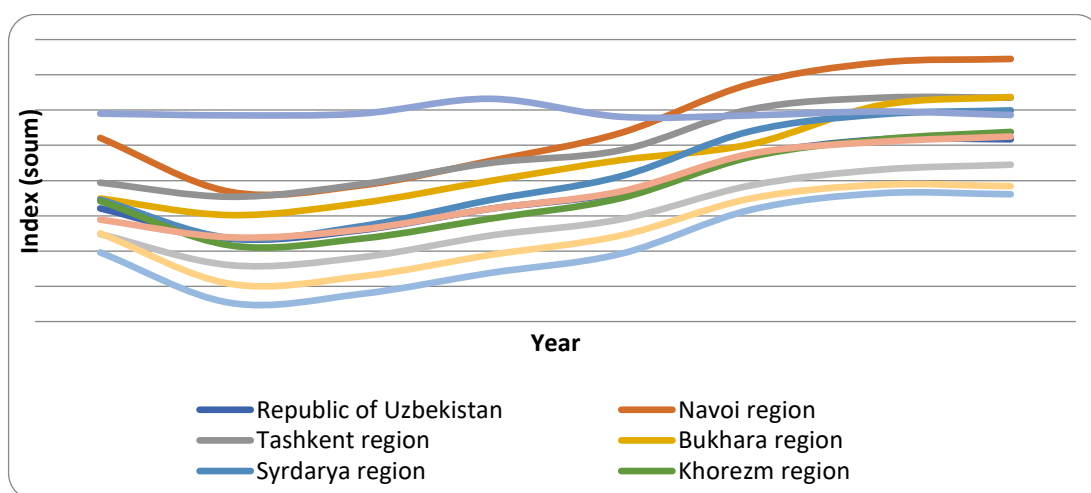
Region	2012	2014	2016	2018	2020	2022	2023	2024	CAGR 12→24
Republic of Uzbekistan	274.0	404.3	494.2	640.5	848.5	1 080.8	1 234.5	1 495.6	14.6%
Tashkent city	342.3	522.1	643.4	844.7	1 188.9	1 462.0	1 700.4	2 084.1	14.9%
Navoi region	372.1	534.3	649.1	830.0	1 111.7	1 379.0	1 591.1	1 932.3	13.6%
Tashkent region	286.7	430.3	529.6	694.8	941.0	1 187.7	1 363.3	1 657.4	14.6%
Syrdarya region	290.2	421.8	513.8	657.6	861.5	1 094.9	1 245.3	1 506.6	13.5%
Bukhara region	271.1	401.9	496.5	654.6	869.6	1 097.9	1 256.1	1 514.2	14.5%
Samarkand region	267.6	391.5	480.0	624.7	820.9	1 050.5	1 201.4	1 448.9	14.3%
Kashkadarya region	249.3	368.7	451.4	589.8	792.2	1 041.3	1 200.7	1 462.0	14.9%
Khorezm region	268.7	385.4	468.8	605.3	780.2	1 004.8	1 151.1	1 382.6	13.6%
Jizzakh region	247.5	364.7	446.0	581.4	767.9	1 009.0	1 156.0	1 418.1	14.8%
Surkhandarya region	263.0	390.6	470.9	599.2	775.1	999.5	1 122.0	1 371.3	13.5%
Fergana region	249.1	363.9	446.8	579.0	755.3	969.8	1 103.7	1 324.0	13.6%
Andijan region	244.0	352.3	428.2	552.1	712.7	931.8	1 057.9	1 270.3	13.5%
Namangan region	241.0	351.5	429.4	554.8	719.2	928.0	1 054.5	1 263.2	13.5%

Note: Green shading — above-average; red shading — below-average. CAGR = compound annual growth rate 2012→2024. Source: O’zRStat (2025), ind. 2.04.08.0002.[13]

Table 3 reports from 2010 to 2024 per-10,000-population coverage and the inter-regional CoV. The CoV rose from 12.4% to 16.1% — the primary proxy indicator confirming that fragmentation widened regional disparities. Key finding: Tashkent city’s coverage density, 1,386 in 2024, declined from its 2018 peak -1,432, a paradox inexplicable by economic models alone, consistent with fragmentation theory. The CoV stabilised in 2024 — a tentative post-NASP signal[13].

Table 3. Beneficiaries per 10,000 population and inter-regional CoV (fragmentation index), 2010–2024

Region / Indicator	2010	2016	2017	2018	2020	2022	2023	2024
Republic of Uzbekistan	1 121	1 035	1 059	1 120	1 166	1 271	1 317	1 317
Navoi region	1 321	1 168	1 186	1 256	1 335	1 474	1 535	1 545
Tashkent region	1 194	1 154	1 189	1 250	1 286	1 402	1 435	1 435
Bukhara region	1 149	1 102	1 136	1 199	1 258	1 303	1 414	1 437
Syrdarya region	1 146	1 037	1 070	1 145	1 212	1 340	1 388	1 399
Khorezm region	1 142	1 016	1 035	1 092	1 150	1 267	1 317	1 338
Tashkent city	1 390	1 385	1 390	1 432	1 381	1 385	1 396	1 386
Andijan region	1 089	1 039	1 061	1 120	1 169	1 276	1 310	1 325
Namangan region	1 048	960	982	1 044	1 090	1 186	1 231	1 245
Surkhandarya region	1 050	907	928	989	1 044	1 149	1 188	1 184
Jizzakh region	996	853	878	938	992	1 117	1 164	1 161
CoV (%)	12.4	13.1	13.4	14.2	14.8	15.3	15.9	16.1

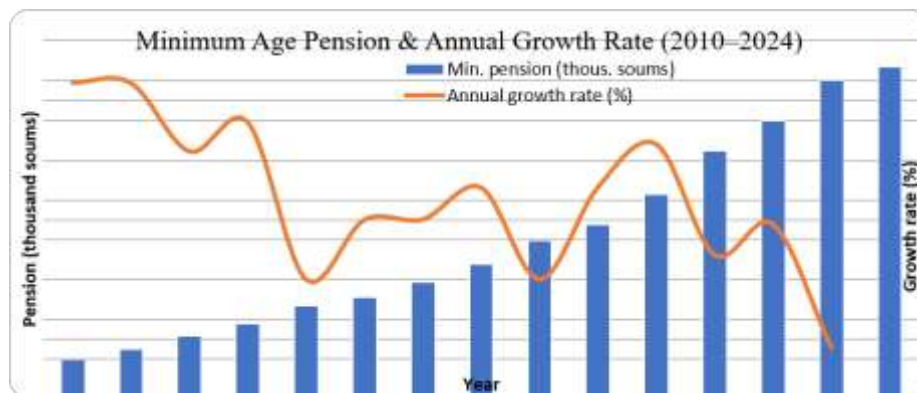


Note: CoV = coefficient of variation across 15 regions. Source: O’zRStat (2025), ind. 2.04.08.0004.[13] CoV computed by the author.

Table 4 presents the minimum age pension trajectory 2010–2024. It grew from 97.3 to 834.0 thousand soums — an 8.6-fold increase. However, the 2023 growth rate was only +2.4% — the lowest in the decade. Official inflation that year was approximately 8.8% [14], implying the real value of the minimum pension fell by roughly 6.4 percentage points — a direct cost of un-coordinated indexation in a fragmented system. The 2024 overall pension growth of 121.2% — a 7-year high — is an encouraging early signal of NASP coordination.

Table 4. Minimum age pension (thousand soums) and annual growth rate (%), 2010–2024

Indicator	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Min. pension (thous. soums)	97.3	123.1	155.7	188.0	231.6	254.7	292.9	336.9	396.5	436.1	513.4	623.0	698.0	800.0	834.0
Growth rate (%)	—	26.5	26.5	20.7	23.2	10.0	15.0	15.0	17.7	10.0	17.7	21.3	12.0	2.4(!)	4.3



Note: (!) — real value declined in 2023: inflation 8.8% vs pension growth +2.4%. Source: O'zRStat (2025), ind. 2.04.08.0006 and 2.04.08.0012.[13]; inflation — O'zRStat annual report.[15]

Over the 14-year period, Uzbekistan's minimum age pension grew more than 8.5 times — from 97.3 thousand soums in 2010 to 834.0 thousand soums in 2024, reflecting a sustained commitment to improving social protection for the elderly.

Growth was broadly consistent throughout the period, though some years stood out. The sharpest annual increases occurred in 2011 (+26.5%), 2014 (+23.2%), and 2021 (+21.3%), often coinciding with broader economic reforms and rising inflation adjustments. By contrast, growth slowed noticeably in 2015 (+10.0%) and again in 2024 (+4.3%), the lowest on record, suggesting a degree of fiscal consolidation in recent years.

A significant structural shift came after 2017, when Uzbekistan launched sweeping economic liberalization reforms under President Mirziyoyev. Pension increases

accelerated through the 2018–2022 period as the government prioritized living standards amid currency unification and price liberalization.

Despite nominal growth, the real purchasing power of pensions must be considered against inflation, which ran high during several years of this period — particularly post-2017. Nonetheless, the consistent upward trajectory signals a policy direction toward stronger social safety nets.

Overall, the data reflects a country in active economic transition, using pension policy as one lever to manage household welfare through a period of significant structural change.

Discussion

The results support the fragmentation–inequality hypothesis. The systemic weaknesses identified in ILO/UNICEF/WB — policy-level fragmentation, dispersed delivery mechanisms, weak monitoring — align directly with the observed regional pension disparities. This constitutes an Uzbekistan-specific confirmation of Cook and Barca et al.

Economic explanations are insufficient. Syrdarya region (1,506.6 thousand soums, 2024) maintains high pensions despite the absence of major industry. Tashkent city's declining coverage density is incompatible with an economic growth model. The governance factor resolves these paradoxes: Syrdarya has a small, accessible population with functional coordination; Tashkent city experienced coordination failures most visibly in its rapidly expanding urban periphery.

The 2023 NASP reform — consolidating social services from six ministries[15,16] — is the most significant institutional response to fragmentation in Uzbekistan's post-independence history. ILO, UNICEF and the World Bank jointly described it as essential to “*address fragmentation or gaps in the social protection functions.*” Yet 2024 data show the regional gap and CoV

-16.1% persist. This is consistent with Barca et al.: integration effects take 3–5 years to materialise. The 2025–2027 data will be decisive for a final assessment.

4. Conclusion

This study demonstrates the existence of an empirical association between social protection institutional fragmentation and regional pension inequality in Uzbekistan. Four key findings:

despite uniform CAGR (13.5–14.9%), the absolute pension gap widened from 101 to 821 thousand soums (2012–2024); (2) beneficiary coverage CoV rose from 12.4% to 16.1% — a direct fragmentation measure;

the 2023 minimum pension growth (+2.4%) fell below inflation (8.8%), eroding real value;

the 2024 pension growth (121.2%) is the strongest post-NASP signal, but regional inequality persists.

Table 5 presents the policy recommendations matrix, derived from ILO and World Bank Human project recommendations.

The priority direction for future research is assessing the causal impact of the NASP reform using district-level data and quasi-experimental methods (difference-in-differences). The National Social Protection Observatory (NSPO), to be established with ILO support, will provide the data infrastructure necessary for this next generation of empirical studies.

The main idea of the article is that regional differences in pension amounts in Uzbekistan cannot be explained only by economic development or wage levels. The study argues that one of the key reasons for this gap is the long-standing fragmentation of the social protection system, where different agencies operated under separate rules, databases, and criteria. This fragmentation limited equal access to pensions and social benefits in some regions and gradually increased initial regional inequality. The establishment of the National Agency for Social Protection in 2023 was an important institutional reform aimed at addressing this problem. However, the 2024 data show that

regional disparities still remain. Therefore, the scientific novelty of the article is that it demonstrates, using quantitative evidence, that the governance structure of the social protection system is an independent factor influencing regional pension disparities.

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