

**INCREASING ECONOMIC LITERACY ONLINE  
ROLE OF SERVICES****Chorshanbayev Umurzak**

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**Abstract:** Economic experts of a number of international financial organizations are conducting research in various directions on various methodological approaches to assessing the level of financial literacy of the population. These studies are focused on evaluating the ability of households, families and individuals (the person himself) to manage their financial resources and their effective decisions by assessing the level of financial literacy of the population. In addition, the influence of the level of financial literacy of the population on the standard of living of the population is also evaluated. In this case, the monetary characteristics of households, families or individuals are formed through monetary indicators.

**Keywords:** Economic literacy, economic literacy criteria and their evaluation indicators, state programs, credit, types of credit, financial education, planning, financial knowledge.

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**Introduction.** In the Decision No. PQ-4400 of the President of the Republic of Uzbekistan "On measures to increase the popularity of microfinance services" adopted on July 23, 2019, the Central Bank of the Republic of Uzbekistan took into account the advanced international experience in the field of increasing the economic and financial literacy of the population. taking into account the task of developing the "National Strategy for Increasing Economic Popularity", which envisages expanding the popularity of financial services and increasing the level of financial literacy of business entities, protecting the rights of consumers in the provision of financial services.[1]

Analysis of literature on the topic

The theoretical and practical aspects of the mechanisms of increasing the economic literacy of the population were discussed by foreigner A.K. Sen, S.S. Artemeva, V.V. Mitrokhin, E.N. It was analyzed in the scientific works of economists such as Alifanova, A. Chaplinska [2,3,4].

London Dr. According to Nirmala Lee, economic literacy means more than information or opportunities. Educational activities on economic literacy should be multifaceted and should be defined within the framework of education of children and adults studying only in the formal education system [5].

American writer and businessman Robert Kiyosaki said that "Economic literacy is the result of financial knowledge, which is primarily related to earning money, saving, consciously directing savings to high-performance investments, increasing income and improving one's life." explains[6]

Analysis and results

World practice shows that it is important to develop various indicators for assessing the level of financial literacy before developing state programs for increasing the economic literacy of the population in countries.

For example, at least once a month, most of us read news in the media about a citizen who does not know how to get a loan from a bank, or among those who received one, he was not able to start a

business, but on the contrary, it was a disaster. . As a matter of fact, the reason why our citizens fall into the "trap" of such fraudsters and become a disaster is the insufficient level of economic literacy that we are talking about.

Methods of obtaining and extinguishing an online loan

If you get an online loan from a bank, you will definitely need to make monthly payments. making payments in split amounts. These are called annuity or differential payment methods. We will consider each in detail separately.

What is an annuity payment method?

The online loan repayment annuity method is a loan repayment method in which you have to pay the bank the same amount every month based on the loan payment schedule. If you take a long-term loan, the majority of payments in the first months will be interest payments. The principal is gradually reduced.[9]

Let's look at an example using the Finlit.uz loan calculator: (Table 1)

Let's say you want to get a loan of 10,000,000 soums for 6 months at 23% per annum.

	Payment	Main	percentage	Balance owed
<b>1</b>	1780240.71	1588574.05	191666.67	8411425.95
<b>2</b>	1780240.71	1619021.72	161219	6792404.24
<b>3</b>	1780240.71	1650052.97	130187.75	5142351.27
<b>4</b>	1780240.71	1681678.98	98561.73	3460672.29
<b>5</b>	1780240.71	1713911.16	66329.55	1746761.13
<b>6</b>	1780240.71	1746761.13	33479.59	0
	<b>10681444.29</b>	<b>10000000</b>	<b>681444.29</b>	

<https://finlit.uz/uz/services/calculators/> compiled by the author based on the data.

The amount of monthly loan payments is 1,780,240.71 soums.

The ratio of loan repayment amount and interest payments changes every month. In the first month, you pay the principal amount of 191,666.67 soums. In the last month, the payment of the main debt is 1,746,761.13 soums, and the interest payments are only 33,479.59 soums.

The total loan amount you will pay to the bank will be 10,681,444.29 soums.

If the loan term is longer, the ratio of the principal amount and interest payments will change during the repayment of the loan.

Let's consider the same example with a slight change of conditions:

Suppose you want to get a loan in the amount of 10,000,000 soums. But not for 6 months, now for 2 years (24 months), based on 23%. In these terms:

The amount of monthly payments is 523,733.06 soums.

In the first month, you will make principal payments in the amount of 332,066.39 soums and interest payments in the amount of 191,666.67 soums. and in the last month, the interest payment will be only 9,849.44 soums.

The total loan amount that you pay to the bank will be 12,569,593.45 soums.

What is the differential method of extinguishing the loan online?

A differential online loan repayment method is a loan repayment method in which the same amount of principal is paid each month, while the interest payments gradually decrease as the loan balance decreases. decreases.

The amount of payments is the highest in the first months and decreases every month. The amount of payment in the last month will be much less than in the first month.

Using Finlit.uz loan calculator, we will consider an example with the same conditions as mentioned above (table 2).

Loan in the amount of 10,000,000 soums for 6 months at 23%. The amount of monthly payments in the differential loan repayment method is as follows:

	Payment	Main	percentage	Balance owed
1	1858333.33	1666666.67	191666.67	8333333.33
2	1826388.89	1666666.67	159722.22	6666666.67
3	1794444.44	1666666.67	127777.78	5000000
4	1762500	1666666.67	95833.33	3333333.33
5	1730555.56	1666666.67	63888.89	1666666.67
6	1698611.11	1666666.67	31944.44	0
	<b>10670833.33</b>	<b>10000000</b>	<b>670833.33</b>	

<https://finlit.uz/uz/services/calculators/> compiled by the author based on the data.

**Table 2. Differential method of loan repayment.**

The monthly payment amounts differ from each other. Thus, the payment in the first month is 1858333.33 soums, of which 191666.67 soums are interest payments. The payment amount for the last (6) months is equal to 1698611.11 soums, of which only 31944.44 soums are interest payments.

The total amount you need to pay to the bank is 10670833.33 soums.

In case of extension of the term, for example, for 24 months, the amount of the first payment is 605,707.76 soums, of which 189,041.10 soums are interest payments. In the last month (24), the amount of payment is equal to 424,805.94 soums, of which 8,139.27 soums are equal to interest payments.

When the loan period is two years, the amount to be paid to the bank is 12,398,721.46 soums.

What is the difference between the two payment methods?

As a result of comparing two methods of making payments on a loan of 10,000,000 soums, we can conclude that the differential payment method is 9,297.82 soums and 170,871 for the period of 6 months and 2 years, respectively, compared to the annuity. We can see that it is more profitable for .99 soums. So, if we compare loan repayment by annuity and differential method, if the conditions are the same, the amount of payments in the first case will be somewhat larger.

Advantages (+) and disadvantages (-) of these payment methods:

Annuity method of loan repayment:

+you know exactly how much you will pay each month. You can plan your budget more precisely by knowing your expenses for the loan obligation.

- interest payments make up a large part of the first payments.

Differential method of loan repayment:

-+in the last months of the term, the amount of payment on the loan will decrease, because the principal and interest payments will decrease accordingly.

- great financial pressure at the beginning of loan payments.

With this

- question form on interest rate and its calculation;
- we can find answers to the questionnaire about inflation.

This, in turn, leads to a relatively imperfect and error-prone result. In practice, the monthly income of the population cannot fully cover their expenses for a month. In some cases, people take out loans (bank loans, pawn shops, borrowing from relatives, etc.) or use their savings. In such a situation, the indicator of the standard of living in the following months will decrease relatively.

Conclusions and suggestions

The role of online services in increasing the economic literacy of the population in our country is important, and taking into account the practice of assessing the level of economic literacy of the population by international financial organizations, it is appropriate to develop state goal programs. We believe that it is necessary to pay attention to the following: in practice, the monthly income of the population does not always fully cover their expenses for a month. In some cases, people may take a loan (online bank loans, pawn shop, borrowing from relatives, etc.) or use their own savings, so people should not face various difficulties when taking an online loan and repaying it, and during the financing period. detailed above.

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