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FAMILY ECONOMY: SOURCES OF INCOMEAND TYPES OF COSTS

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ABSTRACT

In the economy, as in the social sphere, the attitude of the individual to the relevant process is important. The family economy also requires to have a certain knowledge, skills, competencies and competencies of its members. Adequate understanding of the important competencies directly related to it and their cognitive description will help to effectively organize the family economy. The article discusses the sources of income that form the basis of the family economy, as well as family expenses and their types.

KEYWORDS: *Family, Family Economy, Family Income, Family Income Sources, Family Expenses, Types Of Family Expenses.*

INTRODUCTION

The family is a social group that forms a community of people who belong to it and are interconnected by blood ties. In the lexical sense, the family is also recognized as “a small group of people based on marriage or kinship, common lifestyle, moral responsibility, and mutual assistance” [2, 184].

Blood relatives consist of parents, children, and in most cases adults directly related to the family - grandparents and great-grandparents. The family is recognized as a small part of society. Accordingly, as in society, the family has its own order of governance.

The order of governance refers to the family not only socially and culturally, but also economically regulated, oriented, and managed. Economic management of the family reflects the essence of the family economy.

The family economy is a complex economic structure based on the family budget. The content of the "economic policy" pursued by parents in the family determines the state of the family economy, the lifestyle of family members. Accordingly, parents should have the qualities of family economy, its formation, proper distribution of the family budget, efficient use of available material resources, limiting unnecessary expenses, but also a sense of responsibility for family expenses, in particular, timely payment of taxes and utilities important.

Obviously, the fact that parents have the knowledge to run a family economy, to manage the economic relations formed in the family does not happen by itself. Perhaps it is formed as a set of economic knowledge, skills, competencies and experience acquired by them over the years.

The family economy is made up of family members: parents, children, and sometimes older family members - based on the grandparents’financial income (or, in short, family income) as well as the household.

The basis of any economy (state or family) is the budget. A budget is a sum of income (money or other material assets of a certain value) generated by a person in a certain period (month, year) and expenditures to meet his material and spiritual needs. The basis of the family economy is the family budget.

The family budget is the sum of the income of family members in a given period (month, year), mutual income (money or other material appearance, funds of a certain value) and expenditures to meet their material and spiritual needs. Achieving economic well-being, creating a healthy psychological environment in the family, maintaining stability in family relationships in many respects depends on the effective formation of the family budget, consistent monitoring of its condition, collection of funds and rational management of their targeted spending. To achieve this, family members must have economic competencies.

This requires understanding the cognitive description of family income on its own. We will first focus on the theoretical interpretation of the concept of “income”.

According to the Uzbek dictionary, the term "income" is Persian (“درآمد”) and means income, benefit, as well as beginning (for example, the income of a sentence is the beginning of a sentence, the income of a work is the beginning of a work). In the source, the concept is theoretically interpreted as follows: money and other receipts from trade, labor, production at the expense of the state or individuals; income [4, 567-568].

In our opinion, it is necessary to enrich the interpretation in terms of the increase in the personal activities types, the increase in income sources, as well as the fact that the individual is the object.

Income – money earned through activities organized in the fields of labor, production, trade, services, advertising and other income and profits.

As you can see, income is not just about money. It can also be achieved through other types of funds of a certain value (in particular, real estate - housing, non-residential buildings, vehicles, household appliances, household items). To illustrate the point, a few examples can be cited: the first example is an international competition like Olympics in which if an athlete wins a prestigious (1st, 2nd, or 3rd place), he/she may get a vehicle with housing, and housing in return; the second example is items of non-cash material value that are acquired under a contract with partners in the course of business activities.

The consistency and effectiveness of earning income in an economy is determined over time. That is: first, the income earned at a certain time of the year - monthly (income earned in a month), quarterly (income earned in a three month), semi-annual (income earned in half a year), annual (income earned in a year); second, the income earned over the years that make up a particular period - 3 years (income earned in three years), five years (income earned in five years), ten years (income earned in ten years), and so on. These periods allow to determine the practical result of the individual's activity, material value, labor productivity.

Based on the definition of “income”, the concept of “family financial income (or family income)” can be interpreted.

Financial income of the family (or family income) - money earned by family members through activities in the fields of labor, production, trade, services, advertising, other income, income.

According to the economic approach, cash and other valuables earned through the efforts of family members are also valued in terms of labor productivity and sources of income for a particular time of year or for a particular period of time.

Sources play an important role in revenue generation. The financial income of the family (or family income) is also formed on the basis of certain sources.

The main types of family financial income (or family income) are:

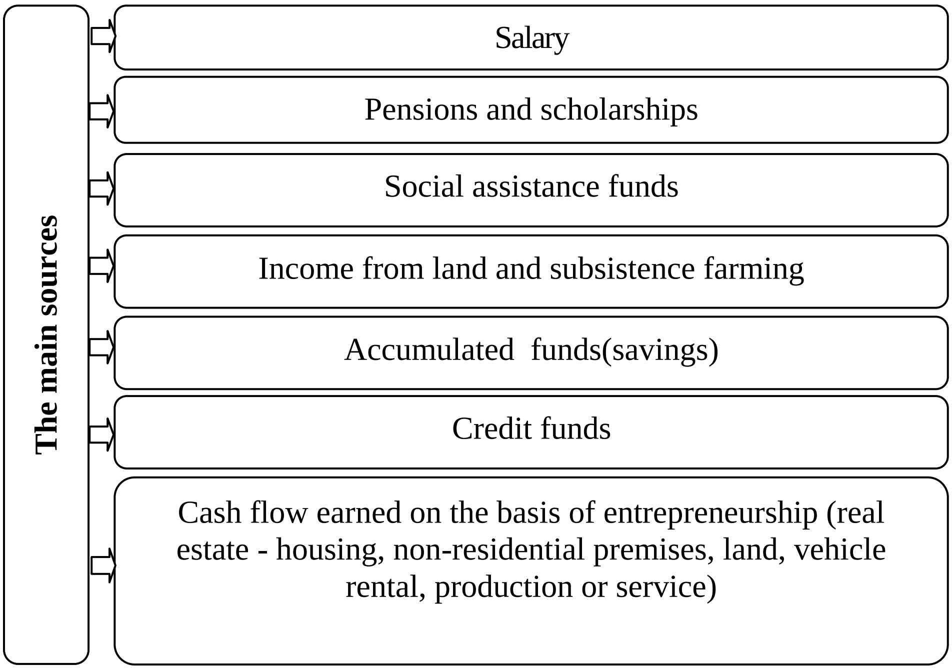

Figure 1. Sources of family financial income

Family life is organized according to the principle of "income + need + expense". The concept of "cost", which means "exit" in Arabic, is interpreted as "expenditure for something" [5, 384]. Logically, family life is organized in the form of spending the income generated by its members to meet their needs on a quantitative, percentage basis.

The researcher G.A. Nabiev forms a list of products needed for his daily needs on the example of a person, using which he fills the consumer basket [1, 102]. That is:

Step 1: Identify the products you need for your daily needs.

Products needed for daily needs:

1. The cost of purchaing food.
2. The cost of purchasing clothing.
3. Transportation costs.
4. Payment for housing.
5. Payment for household services.
6. The cost of purchasing household goods.
7. The cost of organizing cultural recreation.
8. Taxes.
9. Payment for education and occupation.
10. Payment for the purchase of cars, valuables, accessories, securities.
11. Expenses for weddings and other ceremonies.
12. Repayment of loans or debts received.
13. Payment for personal needs.

14. Health and treatment costs.

Step 2. Grouping the types of essential and secondary products required to meet daily needs.

The types of essential and secondary products required to meet daily needs

Important products	**Secondary products**
1. Food products. 2. Clothing. 3. Transportation costs. 4. Payment for housing. 5. Payment for household services. 6. Taxes. 7. Health and treatment costs	1. The cost of purchasing household goods. 2. The cost of organizing cultural recreation. 3. Payment for education and occupation. 4. Payment for the purchase of a car, valuables, items, securities. 5. Expenses for weddings and other ceremonies. 6. Repayment of loans or debts received. 7. Payments for personal needs.

Researcher G.A. Nabiev said that the important products that need to be in the consumer basket to meet the daily needs of an individual, in turn, represent the daily needs of the family, which is a group of individuals. It also represents the essence of the consumer basket, which in itself serves the daily needs of the family.

In the sources, family expenses are divided into three groups. They are:

1. Mandatory expenses: utility bills; expenses for children; expenses for food; clothing costs;

2. Optional expenses: expenses incurred for the purchase of household appliances; expenses for the purchase of jewelry; expenses for leisure and recreation; expenses for personal needs;

3. Unexpected costs: costs for the repair of sanitary and household appliances, as well as housing [3].

These costs are common to many peoples around the world. It is also required to fill these cost groups based on today's demand and needs. In addition, the lifestyle and customs of the Uzbek people require a unique approach to grouping family expenses. In our approach, in the case of the Uzbek family, it is appropriate to divide the costs into the following groups (Figure 2):

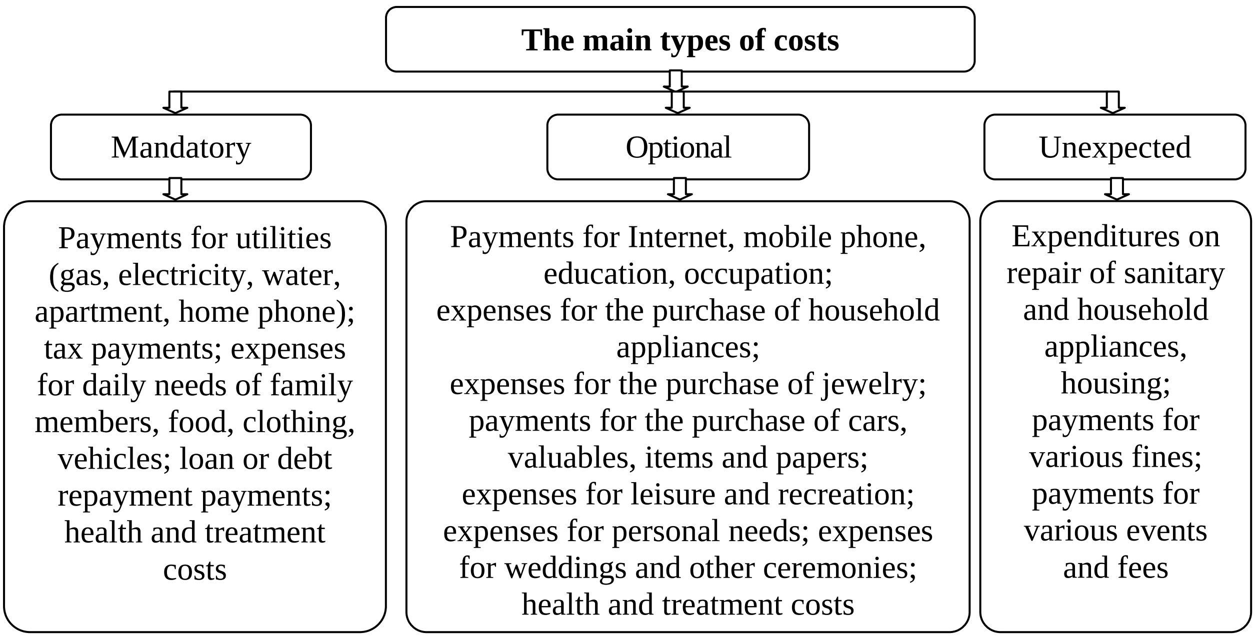

Figure 2. The main types of family expenses

Ensuring financial stability and well-being in the family depends on a number of factors, including the level of economic knowledge of family members, parents'experience in family budgeting and household management, family income and additional sources of income, adult family members' experience in managing family economy teaching, the existence of an economic tradition in the family (small production, handicrafts, entrepreneurship), the support of members for a single financial policy that is a priority in the family, the stability of the family budget, the balance between family income and expenses.

Thus, the basis of the family economy is the income earned by its members and the expenditure on supplies. Income serves to meet the most important needs of the family, as well as to ensure the well-being of the family. The economic status of a family also has a direct impact on the relationships between its members. Therefore, family members should have economic knowledge. After all, only in this way the economic policy in the family is properly organized, as a result of which the well-being of the family is ensured.

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