

THE CONCEPT OF POVERTY, ITS TYPES, AND CAUSES.**Azimov.B.F***Professor at Bukhara state technical university***Zayniddinov.F.F***Masters student at Bukhara state technical university***ABSTRACT**

Poverty is a multidimensional socio-economic condition characterized by insufficient access to basic needs such as food, housing, education, and healthcare. This paper examines the concept of poverty, its main types, causes, and emerging contemporary dimensions based on recent scholarly literature. It highlights traditional classifications such as absolute, relative, urban, rural, chronic, and transient poverty, while also addressing modern forms including digital poverty, energy poverty, and psychological poverty.

The study further explores key drivers of poverty, including systemic exploitation, conflict, the digital divide, and environmental and energy insecurity. Recent research shows that global shocks, inequality, and structural limitations continue to reinforce poverty cycles, while new challenges such as technological exclusion and climate-related risks have intensified socio-economic disparities.

Keywords: *Absolute poverty, resources, basic needs, urban, population growth.*

INTRODUCTION.

Poverty is a condition in which people do not have enough resources to meet their basic needs such as food, housing, education, and healthcare. Today, it is understood not only as lack of income but also as limited opportunities and inability to live a decent life. Poverty has several types. Absolute poverty means people cannot meet basic survival needs, while relative poverty refers to having a lower standard of living compared to others in society. Extreme poverty is the most severe form, where even food and clean water are not accessible. Poverty can also be urban or rural, depending on where people live, and chronic or temporary, depending on whether it lasts a long time or happens due to short-term problems. The causes of poverty are different and often connected. The main reasons include unemployment, low income, lack of education, and inequality. Poor government systems, limited access to services, and rapid population growth also contribute. In addition, factors like natural disasters, climate change, and conflicts can increase poverty. Poverty is a complex issue with many forms and causes, and it requires comprehensive solutions to reduce it.

Recent scholarship has moved toward "Subjective Well-being" and "Psychological

Poverty." Haushofer and Fehr (2020) examine the "psychological poverty trap," noting how the stress and negative affective states associated with poverty impair decision-making, further entrenching individuals in economic hardship (pp. 235–237). The World Bank (2022) has also expanded its conceptual framework to include "Learning Poverty," specifically measuring the inability of a 10-year-old to read and understand a simple story, which serves as a proxy for future economic deprivation (pp. 12–15). Newer categories focus on the digital and environmental shifts of the 2020s. Reddick et al. (2020) identify "Digital Poverty" as a critical modern type, defined by a lack of access to ICT infrastructure and the digital skills necessary to participate in the contemporary economy (pp. 5–8). Furthermore, Zhao et al. (2021) discuss "Energy Poverty," where households cannot afford sufficient energy services to meet basic needs, creating a specific type of deprivation that impacts health and educational outcomes in urban settings (pp. 102–105). Modern drivers are increasingly linked to global shocks and systemic inequality. The UNDP (2024) reports that "Shocks and Fragility"—specifically the lingering effects of the COVID-19 pandemic and geopolitical conflicts—have become primary drivers, reversing decades of progress in global poverty reduction (pp. 18–22). Additionally, Desmond (2023) argues that "Exploitation" is a foundational cause, where the affluent benefit from the low wages and high rents paid by the poor, suggesting that poverty persists because it is profitable for other segments of society (pp. 40–44).

The drivers of poverty in recent literature are increasingly linked to global shocks, systemic exploitation, and the digital divide.

1. Systemic Exploitation and Affluence.

2. Conflict.

3. The Digital Divide.

4. Environmental and Energy Insecurity.

Here is a brief academic explanation of each factor with simple examples:

1. Systemic Exploitation and Affluence

Systemic exploitation occurs when economic systems unfairly benefit a small group while others receive low wages or limited opportunities. In some developing countries, factory workers may work long hours for very low pay, while company owners gain large profits. This creates a wide gap between the rich and the poor.

2. Conflict

Conflict, such as war or political instability, disrupts economic activity and destroys infrastructure. It often forces people to flee their homes and lose their livelihoods. In countries experiencing war, many people become refugees and cannot work, leading to increased poverty and dependence on aid.

3. The Digital Divide

The digital divide refers to unequal access to technology and the internet. Without digital tools, people have fewer educational and employment opportunities. Students in rural areas without internet access cannot participate in online learning, while urban students can, creating inequality in education and future jobs.

4. Environmental and Energy Insecurity

Environmental problems and lack of reliable energy sources reduce people’s ability to earn a living and meet basic needs. Farmers facing drought due to climate change may lose crops and income. Similarly, areas without stable electricity cannot support businesses or industries, limiting economic growth.

Reducing the level of poverty in a country is a crucial factor for economic development. Therefore, it is important to first clearly understand the concept of poverty. Understanding its essence, identifying its types, and developing appropriate and effective solutions for each type are essential. In addition, forecasting the potential socio-economic problems that poverty may cause in the future is of great importance. This helps to prevent possible crisis situations, ensure economic stability, and improve the overall well-being of the population.

CONCLUSION

In conclusion, poverty is a multidimensional and evolving phenomenon that extends beyond mere income deprivation to include social, psychological, digital, and environmental dimensions. Understanding its concept, diverse types, and underlying causes is essential for designing effective and sustainable policy responses. Contemporary research highlights that poverty is not only driven by traditional factors such as unemployment and inequality but also by modern challenges including systemic exploitation, global conflicts, the digital divide, and environmental and energy insecurity. Recent perspectives emphasize the role of psychological and subjective well-being, as well as emerging forms such as digital and energy poverty, which further deepen socio-economic disparities. These insights demonstrate that poverty is both a cause and a consequence of broader structural and global dynamics. Reducing poverty requires a comprehensive and integrated approach that combines economic growth with social protection, technological inclusion, and environmental sustainability. Proactive measures, including accurate assessment, targeted interventions, and forward-looking policies, are crucial in preventing future crises and ensuring long-term economic stability and improved quality of life for all members of society.

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