

## THE ROLE OF ECONOMIC PSYCHOLOGY IN RAISING A MATURE GENERATION.

<https://doi.org/10.5281/zenodo.11169632>

**Jorayeva Zilola Turobovna.**

*Bukhara State University*

*Associate Professor of the Department of Marketing and Management*

**Razakov Bekzod Muminovich.**

*Asian International University 2nd stage graduate student*

### **Abstract**

*This article describes economic psychology, its content, the formation of economic psychology, the influence of economic psychology on social and cultural factors of economic behavior, the role of economic psychology in the education of the mature generation, its characteristics.*

### **Keywords**

*economic psychology, economic decisions, the social and cultural factors, consumer preferences, financial behaviors, behavioral economics, financial education, influence streng.*

The systemic approach in the study of personality allows us to consider the elements and subsystems of which it is formed, and their relationships among themselves. The study of personality is a synthesis of knowledge that has been developed by different specialists working in this field, and aims to approach a more multifaceted and unbiased view of personality, its formation, development and self-actualization.

One of the most important and more and more clearly felt is the increasing role of the psychological factor in the modern socio-economic life of society, causing the really observed psychologization of the economy. Of course, economic life has always been influenced by the psychological component, but its significance, the strength of its influence on economic processes remained, as a rule, outside the scope of economic research.

The formation process of economic psychology can be understood through the intersection of economics and psychology, examining how individuals make economic decisions, form preferences, and interact in economic contexts. Economic psychology emerged as a distinct field in the mid-20th century, although its roots can be traced back to earlier scholars like Thorstein Veblen and John Maynard

Keynes, who recognized the importance of psychological factors in economic behavior. Economic psychology integrates theories, methods, and concepts from both economics and psychology. Economists provide frameworks for understanding decision-making under scarcity, while psychologists contribute insights into cognitive processes, emotions, and behavior.

Economic psychology examines various theories of decision-making, including rational choice theory, prospect theory, and behavioral economics. These theories explore how individuals weigh risks and rewards, respond to incentives, and deviate from rational behavior. Economic psychology identifies cognitive biases and heuristics that influence economic decision-making. Examples include anchoring bias, confirmation bias, and loss aversion, which can lead individuals to make suboptimal choices.

Emotions play a significant role in economic decisions, affecting preferences, risk perception, and judgment. Economic psychology investigates how emotions such as fear, greed, and regret influence financial decisions, investment behavior, and consumer choices. Economic psychology recognizes the impact of social and cultural factors on economic behavior. Social norms, peer pressure, and cultural values shape individuals' attitudes towards money, consumption, and saving.

Economic psychologists employ experimental methods to study economic behavior in controlled settings. Laboratory experiments, field studies, and behavioral simulations allow researchers to test hypotheses and observe decision-making in real-time. Economic psychology has practical applications in various domains, including marketing, finance, public policy, and organizational behavior. Understanding consumer preferences, investor behavior, and decision-making processes can inform business strategies, government policies, and interventions to promote economic well-being.

Economic psychology faces critiques and challenges, including concerns about the validity of experimental findings, the replicability of research results, and the generalizability of theories across different contexts and populations. Critics also question the normative assumptions underlying economic models and the ethical implications of nudging and behavioral interventions.

Overall, the formation of economic psychology reflects a growing recognition of the complex interplay between economic factors and psychological processes in shaping human behavior and decision-making. It continues to evolve as researchers explore new theories, methods, and applications in understanding and addressing economic phenomena.

Economic psychology plays a crucial role in the education of the mature generation by providing insights into economic decision-making, financial behavior, and consumer choices.

Economic psychology helps mature learners understand the psychological factors that influence economic decisions. By learning about cognitive biases, heuristics, and emotional influences, individuals can better comprehend their own financial behaviors and those of others. Economic psychology contributes to financial literacy education by teaching mature learners about basic economic principles, budgeting, saving, investing, and managing debt. It equips them with the knowledge and skills needed to make informed financial decisions and plan for their future.

Economic psychology explores how individuals perceive and respond to risks in economic contexts. Mature learners can benefit from understanding risk attitudes, risk perception, and risk management strategies to make better decisions regarding investments, insurance, and retirement planning. Economic psychology examines consumer preferences, motivations, and decision-making processes. Mature learners can gain insights into marketing strategies, advertising tactics, and product choices, enabling them to become more discerning consumers and avoid pitfalls such as impulse buying or overspending.

Economic psychology informs retirement planning by addressing psychological barriers and biases that may hinder effective retirement saving and preparation. Mature learners can learn about the importance of early planning, setting realistic goals, and overcoming obstacles to retirement security. Economic psychology integrates principles of behavioral economics, which challenges traditional economic assumptions of rationality and self-interest. Mature learners can explore how behavioral insights can inform policy-making, financial regulation, and interventions to promote economic well-being.

Economic psychology recognizes the influence of life events and transitions on economic behavior. Mature learners can learn how factors such as marriage, divorce, job loss, or inheritance can impact financial decision-making and adjust their strategies accordingly. Economic psychology fosters critical thinking skills by encouraging mature learners to question assumptions, evaluate evidence, and analyze the behavioral implications of economic theories. It promotes a deeper understanding of economic phenomena and encourages informed decision-making.

Economic psychology emphasizes applied learning through case studies, simulations, and real-world examples. Mature learners can apply theoretical

concepts to their own financial situations, discuss practical challenges, and develop strategies for improving their economic well-being.

In summary, economic psychology enriches the education of the mature generation by providing insights into economic behavior, financial decision-making, and consumer choices. By understanding the psychological factors that influence economic outcomes, mature learners can make more informed decisions, navigate financial challenges, and achieve greater economic security and well-being.

Economic psychology offers several possibilities for improving the quality of education by enhancing understanding, decision-making, and behavior in educational contexts. Economic psychology helps educators understand the economic behaviors and decision-making processes of students. By recognizing factors such as motivation, risk aversion, and time preferences, educators can tailor teaching methods and incentives to better engage and motivate students.

Economic psychology supports the integration of financial education into school curricula. By teaching students about basic economic concepts, budgeting, saving, and investing, educators empower them to make informed financial decisions throughout their lives, promoting financial literacy and responsibility. Economic psychology informs the design of incentive structures to promote academic achievement and positive behavior. By leveraging insights from behavioral economics, educators can implement reward systems, feedback mechanisms, and goal-setting strategies that encourage student effort, persistence, and performance.

Economic psychology offers behavioral interventions to address academic challenges and promote learning outcomes. Techniques such as nudging, framing, and social norming can help students overcome procrastination, improve study habits, and make better choices regarding coursework and extracurricular activities.

Economic psychology explores the role of motivation, goal setting, and self-control in academic success. Educators can use techniques such as setting SMART goals, providing feedback, and fostering self-regulation skills to help students develop a growth mindset, take ownership of their learning, and persist in the face of challenges.

Economic psychology enhances students' decision-making skills by teaching them to weigh costs and benefits, evaluate alternatives, and consider long-term consequences. By incorporating decision-making exercises and case studies into the

curriculum, educators empower students to make reasoned choices in academic, career, and personal domains.

Economic psychology informs efforts to increase access to higher education and reduce financial barriers for students from disadvantaged backgrounds. By addressing psychological barriers such as financial aid complexity, information overload, and application anxiety, educators can help students navigate the college selection and financial aid process more effectively. Economic psychology supports teacher professional development by providing insights into classroom dynamics, student motivation, and effective teaching strategies. By equipping educators with knowledge of behavioral principles and evidence-based practices, professional development programs can enhance teaching effectiveness and student engagement.

Economic psychology recognizes the importance of parental involvement in education and offers strategies to promote collaboration between parents, educators, and students. By fostering communication, providing resources, and encouraging positive reinforcement, schools can create a supportive environment that enhances student learning and well-being.

Overall, economic psychology offers a rich framework for improving the quality of education by addressing the psychological factors that influence student behavior, decision-making, and academic outcomes. By integrating insights from economic psychology into educational practice, schools can create environments that foster academic achievement, financial literacy, and lifelong learning skills.

## REFERENCES

1. Djuraeva Z. T., Khurramov O. K. Specialty of the usage of electronic marketing in tourism //World science. – 2015. – T. 4. – №. 4 (4). – С. 61-65.
2. Turobovich J. A., Uktamovna M. N., Turobovna J. Z. Marketing aspects of ecotourism development //Economics. – 2020. – №. 1 (44). – С. 25-27.
3. Djuraeva Z. T., Mahmudova N. U., Khurramov O. K. Definitions, principles and main features of ecotourism //Современное экологическое состояние природной среды и научно-практические аспекты рационального природопользования. – 2016. – С. 783-789.
4. Jurayeva Z. T. The Importance And Specific Features Of The Use Of Human Capital In The Development Of The Tourism Industry //The American Journal of Management and Economics Innovations. – 2021. – T. 3. – №. 06. – С. 183-188.



5. Juraeva Z. T. Formation and development of eco-tourism concepts //СОВРЕМЕННОЕ ЭКОЛОГИЧЕСКОЕ СОСТОЯНИЕ ПРИРОДНОЙ СРЕДЫ И НАУЧНО-ПРАКТИЧЕСКИЕ АСПЕКТЫ РАЦИОНАЛЬНОГО ПРИРОДОПОЛЬЗОВАНИЯ. - 2017. - С. 205-208.
6. Jurayeva Z. XIZMAT KO 'RSATISH KORXONALARIDA INSON KAPITALIDAN FOYDALANISH SAMARADORLIGINI OSHIRISH XUSUSIYATLARI //ЦЕНТР НАУЧНЫХ ПУБЛИКАЦИЙ (buxdu. uz). - 2022. - Т. 20. - №. 20.
7. Jurayeva Z. ECONOMIC EFFICIENCY OF ATTRACTION AND USE OF INVESTMENTS IN UZBEKISTAN //ЦЕНТР НАУЧНЫХ ПУБЛИКАЦИЙ (buxdu. uz). - 2022. - Т. 20. - №. 20.
8. Jurayeva Z. INNOVATIVE WAYS TO INVEST IN HUMAN CAPITAL INVESTMENTS //ЦЕНТР НАУЧНЫХ ПУБЛИКАЦИЙ (buxdu. uz). - 2022. - Т. 20. - №. 20.
9. Jurayeva Z. Иқтисодиётни рақамлаштириш шароитида инсон капиталини бошқаришнинг айрим жиҳатлари //ЦЕНТР НАУЧНЫХ ПУБЛИКАЦИЙ (buxdu. uz). - 2021. - Т. 7. - №. 7.
10. Jurayeva Z. ЎЗБЕКИСТОНДА АГРОТУРИЗМНИ РИВОЖЛАНТИРИШНИНГ ЯНГИ НОРМАТИВ-ҲУҚУҚИЙ ИМКОНИЯТЛАРИ //ЦЕНТР НАУЧНЫХ ПУБЛИКАЦИЙ (buxdu. uz). - 2021. - Т. 7. - №. 7.
11. Narzullayeva G. S., Bakayeva M. A. Creative Management: Creative Opportunities In Business Process Management //American Journal Of Social And Humanitarian Research. - 2022. - Т. 3. - №. 12. - С. 58-63.
12. Gulchehra N. Role Of Marketing Strategies In Increasing Company Competitiveness: Role Of Marketing Strategies In Increasing Company Competitiveness //Центр Научных Публикаций (Buxdu. Uz). - 2020. - Т. 1. - №. 1.
13. Gulchehra N. Creative Management: Creative Opportunities In Business Process Management //Центр Научных Публикаций (Buxdu. Uz). - 2023. - Т. 37. - №. 37.
14. Navruz-Zoda L. B., Navruz-Zoda Z. B. Developing business skills in the methodology of "Local Travel Agency" //Economics. - 2021. - №. 1. - С. 22-25.
15. Bakhtiyorovna N. Z. L., Bakhtiyorovna N. Z. Z. Improvement of social prestige of entrepreneurial companies in Bukhara region //Academy. - 2020. - №. 3 (54). - С. 37-39.

16. Navruz-zoda B. The "BUSINESS EXCELLENCE" AS A QUALITATIVE MEASURE OF ENTREPRENEURIAL ABILITY //ЦЕНТР НАУЧНЫХ ПУБЛИКАЦИЙ (buxdu. uz). – 2022. – Т. 18. – №. 18.

17. Bakhtiyorovna N. Z. L., Bakhtiyorovna N. Z. Z. DEVELOPING BUSINESS SKILLS IN THE METHODOLOGY OF "LOCAL TRAVEL AGENCY" //Economics. – 2021. – №. 1 (48). – С. 26-28.

18. Навруззода Б. Н., Навруззода Л. Б. Предпринимательская концепция формирования и развития человеческого капитала //Современная наука. – 2014. – №. 1. – С. 21-25.

19. Навруз-Зода Л. Б., Навруз-Зода З. Б. Повышение социального престижа предпринимательских фирм в Бухарской области //Вопросы науки и образования. – 2020. – №. 11 (95). – С. 21-25.