

Antitrust Policy and Creating a Healthy Competitive Environment

Kholikulov Anvar Nematovich¹

Usmonova Latofat Fazliddin kizi²

Abstract: This article deals with the concept of monopoly and healthy competition, which is very relevant today, and its related terms, types and means of competition. There are also suggestions and recommendations on how to implement the state antitrust policy.

Keywords: monopoly, competition, healthy competition, unhealthy competition, dumping price, customs legislation, customs rate, Chinese enterprises, antitrust policy, antitrust laws.

¹ Associate Professor of Samarkand Institute of Economics and Service, Candidate of Economic Sciences

² Master of Samarkand Institute of Economics and Service

It is well-known that healthy competition in any field helps to achieve good results. Therefore, the question naturally arises: what will happen if there is no healthy competitive environment? In an unhealthy competitive environment, one firm has many advantages, while another manufacturer does not have these opportunities (not intended to support small and new producers), which leads to a crisis in the organization, the state. The monopolization of one organization means that it does not leave a place for other organizations in the market.

Lack of competition ensures the monopoly of firms. At the same time, the monopoly organization does not work on itself, does not improve itself, does not support innovations and innovations, increases prices, lowers product quality, does not meet quality requirements, creates artificial shortages, the lack of facilities does not take into account their wishes and desires, and most importantly, increases their tendency to corruption.

In today's rapidly globalizing world, it is very difficult to compete. This is due to the mismatch of price and quality due to the difference in the cost of resources. In the world, some countries compete with their highly qualified and talented staff, while others are dominated by the low cost of these factors, as well as labor resources, taxes and fees, electricity, gas and water. Due to the low cost of resources, they will have a competitive advantage.

Another major factor in unhealthy competition is dumping prices. Dumping (English dumping - throwing) - the sale of goods in foreign and domestic markets at artificially low prices, sometimes below average retail prices; (one of the means of competition to capture the market)¹.

Such a policy is mainly implemented by large firms or developed countries through the application of certain benefits and subsidies for their producers, and irreversibly breaks competitors and seeks to have a monopoly in the market.

So, do we have such a situation? Of course, let's take, for example, a plant that started producing elevators in Tashkent. The fact that the elevators produced in our country under the brand name "YUMA LIFT" are more expensive than imported elevators (but can compete in terms of quality and service) leads to losses at the beginning of their operation. However, the fact that the level of localization of the enterprise is more than 70% does not ensure competitiveness. During its existence, the company has produced 1,500 elevators and sold more than \$ 31 million (equivalent). Imported materials worth more than \$ 15 million were imported for components. Of this, more than \$ 2 million was spent on taxes and other contributions. This is 7% of the sale value. In 2019, due to changes in tax policy and the transition to general fixed taxes, this figure was 29% with value added tax.

According to the analysis of the company's marketers, the main competitors are Chinese companies, and the government provides 5-17% of exports in addition to VAT refunds, depending on the type of product, in order to support exporters. subsidizes and encourages them. The subsidy amount for elevator equipment is 13 percent. In short, China has cheap raw materials, developed infrastructure and information technology industry, strong cooperation, large production volumes (large domestic market-consumers), the price of their products will always be low (with a 13% advantage).²

¹ O`zMe. Birinchi jild. Toshkent, 2000-yil

² Yumalift.uz

Due to the large amount of employment, tax collection and production of certain technologies in China, China benefits even through subsidies. It also helps to reduce large production costs. In this situation, it is very difficult for local producers to compete with Chinese producers without state support.

A study of the customs legislation of Uzbekistan revealed that the rate of customs duties for a finished elevator is only 5%. At the same time, the state raises customs tariffs in order to protect its producers, as a result of which local enterprises increase their competitiveness, but the consumer is forced to buy products at higher prices. Therefore, in this case, it will be possible to reduce prices only if the state helps local producers through subsidies and benefits, and buyers will be able to buy goods at lower prices.

Monopoly³ - there is no need to overstate the meaning of this word. Because we know what that is. Especially if the monopoly is maintained in the economy, in today's fierce times, development will lag behind, and there will be no room for healthy competition. Without competition, there is no quality. The population will not have a choice. That is why any state fights monopoly. Our country also has a number of antitrust laws.

Antitrust policy is the state's antitrust policy. According to the experience of other countries, antitrust law is formed in the following areas:

1. Laws governing production. These laws usually do not give any company the right to control more than half of the production of any type of product.
2. It is stipulated that participants of all large corporations may not own more than a certain limited number of shares of other corporations.
3. Anti-cartel laws will be enacted to prohibit prices from being higher or lower than those set by the market equilibrium, and to bargain over price.

The state's antitrust policy is aimed at improving the competitive environment in countries where competition is already formed in the national economy, the formation of a competitive environment in countries transitioning to a market economy. Attempts to establish a monopoly in the market The first anti-monopoly law, the Sherman Act, was passed in the United States in 1890. Each country has its own conditions for antitrust law and its implementation. In order to protect healthy competition in all developed countries, the state takes measures against various types of monopolistic activities. For example, in the United States the state antitrust policy is the Federal Trade Commission and the Department of Justice's Trust Office, in Russia the Ministry of Antitrust Policy and Entrepreneurship Support, in Japan and South Korea the Commission on Fair Competition, and in the European Union the Competition Commission. is carried out by the commission.

The Antimonopoly Body of Uzbekistan was established in 1992 as the Main Department of Antimonopoly and Price Policy of the Ministry of Finance of the Republic of Uzbekistan. On May 15, 1996, the Committee on Demonopolization and Development of Competition under the Ministry of Finance was established on the basis of this department. On August 2, 2000, in accordance with the Decree of the President of the Republic of Uzbekistan "On the establishment of the State Committee of the Republic of Uzbekistan for Demonopolization and Development

³ [Uz.m.wikipedia.org](https://uz.m.wikipedia.org)

of Competition", the antimonopoly body was removed from the Ministry of Finance and transformed into an independent state committee.

Thus, the support of competition remains a key factor in all-round development. In order to compete in foreign markets, it is necessary to enter into healthy competition and government support. This should not be limited to raising customs rates. It is necessary to study the experience of China and the policies of other developed countries and put them into practice.

References:

1. Decree of the President of the Republic of Uzbekistan "On the establishment of the State Committee of the Republic of Uzbekistan for Demonopolization and Development of Competition". August 2, 2000.
2. On foreign economic activity. - T .: "Adolat", 2004
3. O'zMe. The first volume. Tashkent. 2000.
4. Yumalift.uz
5. Uz.m.wikipedia.org