

## Trends in the Dynamics of Structural Changes in Uzbekistan

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### *Abstract*

*The article describes the achievement of macroeconomic stability and sustainable growth rates of the economy, which are one of the important directions for the further development of the economy. Also, the article contains several stages of structural changes that determine the development trends of the economy of our country.*

**Keywords:** *structural changes, economic growth, institutional transformations, competitive environment, market infrastructure.*

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In recent years, the economy of Uzbekistan has been developing at a rapid pace. Further development of the economy is one of the important areas, which provides for the achievement of macroeconomic stability and sustainable growth rates of the economy and its sectors, deepening structural and institutional transformations, increasing the competitiveness of manufactured products through in-depth processing of mineral resources, developing the potential of regions, districts and cities, intensive development of agriculture.

Economic growth becomes sustainable when along with the growth of production, GDP, exports, incomes, the structural characteristics of the economy improve, or, in other words, the quality of growth improves. First of all, structural changes - in output, in costs, in sources of income and the uniformity of its distribution, in price ratios, in the structure of investments, exports, money supply, forms of ownership and determine the development trends of the economy of Uzbekistan and other countries with economies in transition.

An important indicator of the efficiency of the production structure is the share of manufacturing in the volume of industrial production. In developed and rapidly developing countries, the share of such industries reaches  $\frac{3}{4}$  of industrial output and more. For Uzbekistan, since 1997, the dynamics of this indicator (using the sum of production in the machine-building, light and food industries as a first approximation) varied within 42.5-44%. This indicates the need to increase the efficiency of structural and investment transformations, improve the mechanisms for their implementation, and, above all, the mechanism for stimulating private savings and their effective use based on the development of the banking system and stock markets.

After gaining independence, following the results of the first stage of reforms, a regulatory and legislative framework was formed, which created conditions for the formation of a class of entrepreneurs, a competitive environment, market infrastructure and the creation of the foundation of market relations. At this stage, along with overcoming the consequences of the influence of the administrative command system on the country's economy, new economic property relations were formed, and the class of owner-entrepreneurs arose and began to progressively develop.

The intensive development of small business and private entrepreneurship with the full support of the state was accompanied by the processes of privatization and demonopolization. Thus, by the end of 1994, 54,000 enterprises had changed their forms of management, of which 34% were transformed into private, 48% - into joint-stock, 16% - into collective, 1% - into rental. As a result of the growth in the share of the non-state sector in the country's economy in 1995, 44% of industrial, 97% of agricultural products were produced at enterprises and farms of the non-state sector, in trade, the non-state sector amounted to about 82%. [One]

The next, second stage of reforms in Uzbekistan was aimed at strengthening and stabilizing the financial sector. As a result, new industries and sectors have appeared in the structure of the economy. The volume of foreign investments attracted to the real sector of the economy exceeded \$ 10 billion, of which more than \$ 3.6 billion was spent in 1996 alone. As a result, the country ensured its fuel, energy and grain independence, strengthened its industry. The state managed to create conditions for the transition from stabilization to sustainable economic growth.

The transition to sustainable economic growth is the third stage of reforms, from 1998 to 2000. At this stage, the foundation of the modern economy was created, macroeconomic stability was achieved, and a lot of work was done to create new institutions and governing bodies. The

financial, tax and monetary systems have undergone radical changes. During 1998 alone, the volume of GDP increased by 4.4%, industrial production - by 5.8%, and agriculture - by 4%. The 1998 financial crisis, which took place in many developed countries of the world, could not but affect the financial and industrial situation of Uzbekistan. But he did not stop the onward movement of the republic in the implementation of economic reforms. During this period, the process of denationalization continued. In 1999, the share of the non-state sector in GDP was 64.5%, in industry - 64%, in agriculture - 98.7%, 74.2% of the population is employed in privatized enterprises. So, according to foreign sources, in terms of the growth rate of industrial production at the end of the 90s of the XX century, our republic took one of the first places among the CIS countries: 117% in 1999 to the level of 1991, while in Russia this indicator was 45%, Ukraine - 44%, Kazakhstan - 41%. In 2000, the volume of industrial production in Uzbekistan reached 1 trillion. 980.6 billion Sums.

Since 2000, profound structural transformations have been a decisive factor in economic growth. The main increase in industrial production was provided by newly created enterprises. More than 56% of the total volume of investments was directed to the development of new manufacturing industries. Based on the analysis of the situation, the leadership of Uzbekistan defined this stage as further reforms in line with systemic liberalization.

The modern stage of development of the economy of Uzbekistan began in 2008 and continues to the present. It is characterized by the onset of the global financial and economic crisis. The diversified structure of Uzbekistan's foreign trade turnover, which was the result of following the principles of the "Uzbek model" of development, has become reliable in the context of the expansion of the global economic crisis. The anti-crisis program (2009-2015), implemented in the republic, has demonstrated the effectiveness of measures aimed at ensuring the stability and further development of the economy even in difficult conditions of the crisis, to continue the most important social programs that are designed to increase the level of employment and the well-being of the population. According to the rating of the authoritative World Economic Forum, Uzbekistan is among the five countries with the fastest growing economies in the world at the end of 2016-2017.

Speaking at a joint meeting of the Oliy Majlis on December 14, 2016, the President of the Republic of Uzbekistan Sh. M. Mirziyoyev noted the following: "Modernization of industries and regions, increasing their competitiveness, developing export potential will always be in the center of our attention. For this, it is necessary to even more actively attract foreign investments, advanced technologies, including information and communication technologies, in all areas. It is on this basis that we will be able to achieve a more than 2-fold increase in gross domestic product by 2030 ". In the country accounted for at least 8%. [5]

According to forecasts, the rate of GDP growth in the republic will remain throughout 2018 and by 2020 will amount to 6.8%, which means that positive dynamics will continue. At the same time, GDP per capita will grow to \$ 1973 in 2018 and, according to the forecast, by 2020 to \$ 2229. Uzbekistan is one of the industrially developed republics of the Central Asian region. Industry accounts for about 24% of its GDP. Uzbekistan has the most diversified economy in the region. According to the State Statistics Committee, in the share of all the final product produced by the countries of Central Asia, the share of Uzbekistan, according to the State Statistics Committee, is 80% of mineral fertilizers, 94% of chemical fibers, 54% of natural gas, 59% of cement, 65% of raw cotton. Thus, in Uzbekistan, at all stages of economic reforms, the state plays a leading role.

Thus, in Uzbekistan, at all stages of economic reforms, the state plays a leading role. And today, state support aimed at the continuation and deepening of progressive structural transformations, the processes of renewing the life of our society, gives a powerful impetus to further increase the potential, stability and balance of the national economy, the implementation of important social projects in order to further improve the quality of life of the country's population.

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