

Budget Management Concentration in the New Conditions of Economic Development

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Abstract

The article discusses the significance of the ongoing reforms in the Republic of Uzbekistan. It is noted that a five percent GDP growth and a reduction in inflation to 3% will suit socially significant areas of the economy so that they are competitive and ensure growth in budget revenues at all levels, and the implementation of tasks of a strategic nature will be ensured.

Keywords: *reform, budget, strategy, quality, result, financial support fund, budget management, efficiency, interbudgetary relations, growth.*

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In the Republic of Uzbekistan, during 1991-2022, numerous reforms were carried out - administrative, budgetary, pension, tax, budget accounting and reporting. In this regard, many experts, including from international financial organizations, have expressed and are expressing opinions about the ambitiousness of the ongoing reforms.

No matter how skeptical the published scientific works may be, one cannot but agree with this statement. Because the reforms being carried out concerned the public sector of the economy, which was generally managed by government bodies, in particular by local government bodies.

Therefore, it would be more correct to talk about a radical reform of the state - its finances, governing bodies, and the budget system.

Of course, reforms are concentrated in two areas - budgetary and administrative. [1]. This is due to the objective need for a clear strategy and tactics for fundamental changes, including the integration of Uzbekistan into the global economic and financial mechanism. First of all, the state must be rebuilt. Thus, according to the American philosopher Francis Fukuyama, in the context of globalization, "the problems of the weakness of the state apparatus and the need to build strong states" have become more obvious, especially in countries with economies in transition and developing countries [2].

It can be said that Uzbekistan is undergoing a reform of public financial management, which through specific financial mechanisms has an impact on the functioning of the economy [3]. Small businesses interact daily with the state on all issues of regulating their own activities using a financial mechanism. Therefore, they most of all feel the need for complete and timely information about the processes taking place within the state. They must know what rules the state plays by and how often they are going to change them, what goals and objectives it solves with the help of reforms announced and implemented in practice. Because reforms are never implemented in the format in which they are conceived and developed. Practice always makes significant adjustments to any reforms, and therefore the state must always be ready not only for adjustments, but also to understand the factors that determine them.

As is known, the leading reform in the reform system is the reform of the financial system, since finance determines the vector and quality of the results that the reforms are aimed at. The practice of many countries confirms the priority of reform of the state financial system (otherwise known as public financial management reform). Uzbekistan is no exception. Let's compare documents indicating the beginning of state reform in the conditions of the development of New Uzbekistan.

Administrative reform began in 1992. It was then that attempts were made to create a centralized state management system in the new conditions to ensure a smooth transition to the market. However, these attempts failed for objective reasons that are becoming clear only now.

In 1994, Uzbekistan began the denationalization and privatization reform [4]. It was this year that the mechanism for the practical implementation of budget management was laid, which was based on an important tool - funds for financial support of the population, which by their nature have social significance. This was a correct and timely decision, which conceptually determined the scheme and directions for the reform of management of not only public finances, but also the reform of government bodies.

The significance of the concept of reform was due to the role that reform played in ensuring the formation and development of new elements, taking into account the contemporary features of

state policy in the field of money and finance at that time, reflecting the necessity and difference of our republic from other countries.

The concept of administrative reform also took into account the institutional structure of the country that had developed during this period. One of the important aspects of this concept is a comprehensive analysis of the current direction of the financial and budgetary system and the mechanism for their regulation.

Further, these reforms proceeded in parallel. The fact that these two components, in their internal content, represent one reform - the reform of the public sector of the economy - is evidenced by the concept of administrative reform and the concept and organization of interbudgetary relations in the Republic of Uzbekistan [5].

The success of the reform will, first of all, be determined by those who manage material production and actually carry out their daily activities to reform financial and economic relations. But the basis for implementing the reform must be decided at the state level and be supported by the necessary legislative acts that define the strategy and tactics for carrying out the reform, worthy of the deepest respect from the authorities.

Understanding of the purpose and objectives of reform by those working in the field of public and economic management, as an indispensable condition for the success of reform, now largely depends on the highest echelon of power structures, the consistency and predictability of their actions, the ability to clearly define the course of reform, methods and means of its implementation. And in this regard, the behavior and actions of those in power must be especially carefully verified and weighed [6-9].

Traditionally, these programs give grounds to assert that Uzbekistan attached great importance not to the reforms themselves as such, not to changes, but to the management of changes in the state and public finances and budgets, which affected literally all aspects of the functioning of the state, and through it - the activities of economic entities, that is real economic subjects [10]. The developed reforms in other areas of government activity in a mixed economy complement these two programs. The goal of the reforms is to build a strong state with a small scope of government functions. Before the transition period, the state implemented the absolute majority of functions, while the capabilities of the state apparatus were limited. Famous economists wrote about this - F. Hayek, Ludwig von Mises and our contemporaries [11].

Reforms are carried out when there is a decline in production in the economy, personal incomes, profits of enterprises (organizations) and budget revenues will fall, a budget deficit is created, and the country will not have financial sources to solve urgent, or better yet, overdue problems to improve living conditions population, development of healthcare, science and education, bringing the level of pensions to at least the lower international standard established by the ILO (International Labor Organization) with the approval of Uzbekistan at the level of 40% of the average salary (now the level of domestic pension is 36-37% of the average salary). There will be no funds for modernization, restructuring of enterprises, construction of highways and high-speed railways, raising the socio-economic level of lagging territories, priority development of sparsely populated and unsatisfactorily developing (due to population outflow) territories, socio-economic transformation of the countryside, etc.

With a budget deficit and inflation, there are no sufficient free jobs, the growth of investment inflows into socially significant industries and spheres of the economy is not noticeable, there is a decline in the solvency of the population's income, ensuring high rates of innovative

development of the economy is futile. It would be pointless to put forward goals to achieve the level of socio-economic development in the foreseeable future (until 2035). That's why We are fundamentally not satisfied with a five percent GDP growth in the domestic economy, in particular the industrial economy. Hence the conclusion: the problem of accelerating socio-economic development has come to the fore among the country's urgent strategic tasks.

In ensuring GDP growth in our country, a special role belongs to the influx of investment capital. Exactly investment inflow of capital can ensure economic growth and, in the foreseeable future, create additional jobs, followed by the growth of employed workers.

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