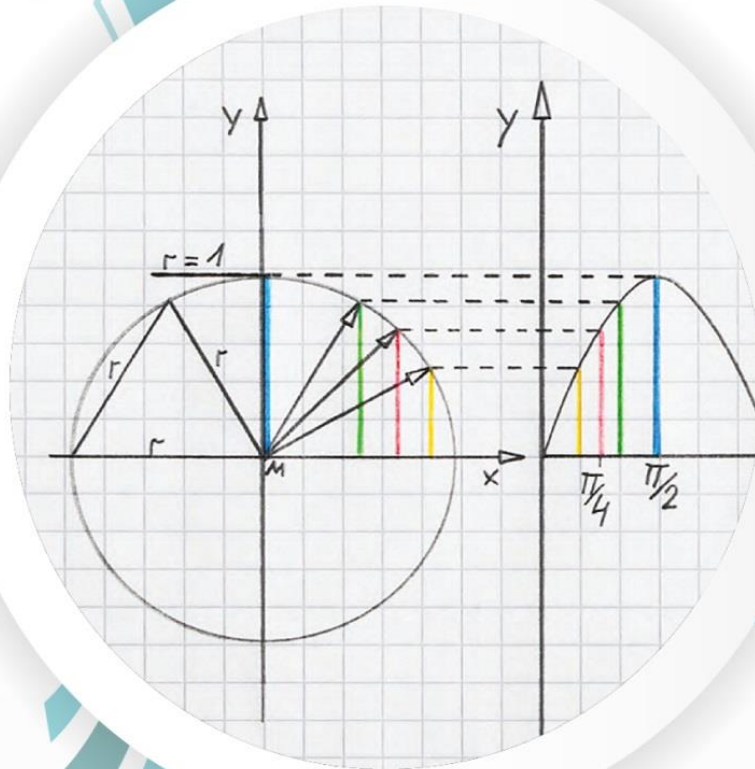


INTERNATIONAL JOURNAL OF

ENGINEERING MATHEMATICS: THEORY AND APPLICATION



Indexed by:



Universal
Impact Factor



IMPACT FACTOR
SEARCH

Editorial Team

G. Ahmed

Professor of Computational Engineering Mathematics and Numerical Analysis
Department of Engineering Physics and Mathematics
Associate editor-in-Chief
Dr. Hamed Daei Kasmaei
PhD in Applied mathematics-Numerical analysis and computational
Department of Mathematics and Statistics,
Honor President of IEEMS
Mahim Ranjan Adhikari
Department of Mathematics
Calcutta University
India
Carlo Cattani Professor, Tuscia University, Viterbo
Department of Economy and Enterprise DEIM
Italy E-mail: ccattani@unisa.it

Dr. Sunil Kumar National Institute of Technology
Jamshedpur Department of Mathematics
India Email: skiitbhu28@gmail.com

Praveen Agarwal

Ph.D., Professor
Anand International College of Engineering
Department of Mathematics Jaipur India
Email: goyal.praveen2011@gmail.com

Thomas Korimort Mathematician
Computer Scientist Dr. tech. Dipl.-Ing
AMS University of Leoben Vienna University of
Technology Austria Email: tomkori@gmx.net

Dr. Stephen Kirkup
Lecturer in Nuclear Science / Engineering
School of Engineering Computing and Technology
Building, CM138 University of Central Lancashire
United Kingdom Email: smkirkup@uclan.ac.uk

Dr Mehmet Senol
Nevsehir Haci Bektas Veli University Department of
Mathematics Nev_sehir
Turkey
Email: msenol@nevsehir.edu.tr

Dr. Muhammad Sadiq Hashmi
Associate Professor
Department of Computer Science
COMSATS Institute of Information Technology
Sahiwal Campus
Pakistan
Email: sadiq.hashmi@gmail.com

Hector Vazquez Leal

Full Time Professor
School of Electronic Instrumentation
University of Veracruz
Mexico Email: hvazquez@uv.mx
Dr. Jyotindra C. Prajapati
M.Sc., M. Phil., Ph.D., MIMS, MISTE
Principal, Faculty of Science
Marwadi University
Rajkot-Morbi Highway
RAJKOT- 360003, GUJARAT
India
Hasan Bulut
Faculty of Science Department of Mathematics Firat
University Elazig Turkey
E-mail: hbulut@firat.edu.tr

Fethi Bin Muhammad Belgacem Department of
Mathematics Faculty of Basic Education
PAAET, Al-Ardhiya Kuwait E-
mail: fbmbelgacem@gmail.com
Avishk Mahim Adkhaira
Associate Professor of Mathematics Calcutta
University
India E-mail: math.mra@gmail.com

János Kurdics
Professor of Mathematics University of Nyiregyhaza
Hungary Academic Member of ATINER
Athens E-mail: kurdics@nyf.hu

CONTACT

Professor of Computational Engineering Mathematics and
Numerical Analysis
Faculty of Engineering
Zagazig University
Zagazig
P. O. 44519
Egypt
<http://iejemta.com/>
Email: sgamil@zu.edu.eg



PROBLEMS OF LIBERALIZATION OF THE ECONOMY OF UZBEKISTAN AT THE PRESENT STAGE

Khamrakulova O.D - Candidate of Economics, Assoc. Department of “Economic Theory” Samarkand Institute of Economics and Service.

Abstract: the liberalization of the economy allows you to expand the opportunities for the operation of market mechanisms. State intervention in the economy is reduced in its administrative forms, as well as in the forms of direct state regulation.

The paper considers the essence, state, as well as the problems of liberalization of the economy of Uzbekistan at the present stage of development, offers specific recommendations for improving and accelerating the development of the economy of Uzbekistan.

Key words: market, market economy, economic liberalization, acceleration of economic development, market mechanism, market instruments.

INTRODUCTION

At present, new phenomena are emerging in the world economy that cover a number of countries. In this regard, the liberalization of the economy makes it possible to expand the possibilities for the operation of market mechanisms. State intervention in the economy is reduced in its administrative forms, as well as in the forms of direct state regulation.

Economic liberalization (or **economic liberalization**) is the weakening of state regulation and restrictions in the economy , in order to expand the participation of private companies . The main function of the state is to create and maintain a competitive environment by adopting economic and civil legislation, simplifying and



reducing the cost of establishing new private enterprises, supporting medium and small business, strengthening the accessibility of civil litigation and others.

Analysis of the used literature.

In the economic literature, the problems of economic liberalization are considered in many ways. Uzbeks pay special attention to this. Economists, who consider liberalization from the point of view of the “Uzbek model of a market economy”, determine the stages of economic reforms, a feature of the current stage of economic liberalization. Therefore, further study of the liberalization of the economy in Uzbekistan remains relevant and in demand in scientific research.

“Increase in gross domestic product per capita in the next five years by 1.6 times by ensuring stable high growth rates in sectors of the economy, bringing it to 4,000 US dollars per capita by 2030 and creating prerequisites for entering the category states with an income above average”. [1]

Research methodology.

The work uses an abstract method, as well as mathematical and statistical methods.

Analysis and results. Economic literature usually distinguishes between internal and external economic liberalization.

Domestic economic liberalization includes the privatization of state enterprises taking place within the framework of national economies, the expansion of the scope of freely set prices and incomes, interest rates, conditions for granting loans, etc. Foreign economic liberalization is the expansion of the unimpeded international movement of goods and services, capital, information. The liberalization of world trade in goods and services is manifested in the tendency to blur customs barriers and remove quantitative restrictions on trade between countries.

The study of the problems of liberalization of the economy of Uzbekistan plays a huge role in creating conditions for an open economy, making a radical change in



the use of market mechanisms, which was reflected in a number of studies by our economists [2] .

In 1991, reforms began in Uzbekistan, which were supposed to create the foundations for the functioning of a market economy. However, in 1996 the economic course was strongly changed in the direction of strengthening state intervention in the economy and import substitution policies. In order to accelerate industrial development, the state redistributed huge flows of material, financial, currency and labor resources through: direct distribution of resources, administrative regulation of commodity prices, interest rates and the exchange rate, high taxes and government spending, limited access to the official exchange rate that is beneficial for currency buyers (usually 2-3 times different from the market one), the creation of artificial monopolies by restricting access to the markets of new players and the provision of tax, credit and other benefits to individual enterprises or groups of enterprises, direct (“manual”) management of enterprises, restriction of imports by tariff and non-tariff barriers .

As a result, there is an extremely low level of economic efficiency and economic growth rates, a high level of unemployment and external labor migration, and widespread corruption. Due to the policy pursued, market reforms were curtailed, market mechanisms were partially replaced by command and control regulation.

The economy of Uzbekistan needed a cardinal, systematic and consistent reform, a change in the entire system of public institutions. The key task is to create conditions for the normal operation of effective market mechanisms. Since 2017, economic reforms have begun, where it is necessary to highlight:

unification of exchange rates, liberalization of the foreign exchange market, introduction of conversion for current transactions (summer-autumn 2017);

elimination of a number of administrative barriers to the cross-border movement of goods and people (primarily with the neighbors of Uzbekistan) and reduction of customs duties (2017-18); reform of the banking sector and money



circulation (2017-18); radical tax reform (2019), reducing a number of administrative costs of doing business. Uzbekistan has significantly improved its position in the Trade Freedom Index, which is included in the Index of Economic Freedom. The index of freedom of trade in Uzbekistan amounted to 75.6 points. According to this indicator, the country with a small margin left behind the USA, Russia, China and Japan. For comparison, last year the republic occupied only 163rd place. In the overall ranking of the Index of Economic Freedom for 2021, Uzbekistan ranked 108th, rising 6 positions in a year. Several areas for work were noted, in particular, the improvement of the judicial system and the provision of freedom for international trade.

Analysts pointed out that tariff and non-tariff barriers greatly hinder development, the country is not a member of the WTO. The average tariff rate was at a fairly high level – 14,8 %. [3]

Thus, international ratings record a significant shift in the field of debureaucratization and liberalization of the economy, the emergence of greater freedoms for domestic entrepreneurs and foreign investors

A number of cardinal measures are being taken in the country to solve economic and social problems, so the State Program for the Implementation of the Development Strategy of New Uzbekistan for 2022–2026 was adopted in the “Year of Care for a Person and Quality Education” developed on the basis of proposals made in the course of extensive discussions with the public and the people This document identifies specific measures to carry out reforms to further improve the living standards of the population, bring the quality of education in line with advanced international standards, achieve sustainable economic growth and reduce poverty in in accordance with the tasks defined in the Development Strategy of New Uzbekistan for 2022–2026 and the Address of the President of the Republic of Uzbekistan Oliy Majlis and people of Uzbekistan [4]



Measures are being taken to conquer the reduction of bureaucratic barriers in the relationship of the population and entrepreneurs with government agencies, providing for: expanding the range of public services available to citizens regardless of where they are registered (permanent or temporary).

However, problems still remain that hinder radical reforms:

- insufficient confidence of the international community, international financial organizations in the deepening of economic reforms in the country;
- insufficient professional level of specialists employed in the most important sectors of the economy;
- the use of the authorities of the former methods of work in the economy - administrative, which is not typical for the intensive development of a market economy;
- the country has not yet created an effective market mechanism that would affect all economic entities in order to increase the efficiency of social production;
- more active use of levers for an accelerated transition to an innovative path of economic development.

Conclusion and suggestions

World foreign experience shows that the best development is achieved by countries that have used predominantly market mechanisms for regulating the economy. [5,6,7,8] In our opinion, the following recommendations can be used:

- when developing and using a new system of economic management, it is necessary to include tasks both for the development of market institutions and administrative procedures.
- in the economy, the budget deficit should be adjusted depending on the situation in the country and in the world. Under these conditions, the policy of “public procurement”, support for business and vulnerable segments of the population and environmental protection are of great importance.



- at present, the importance of forming a single land-water-vegetation-air-resource fund on the basis of the existing Fund for Reconstruction and Development, the funds of which should be used to increase the efficiency of the use of basic, life-supporting natural resources, protect the environment and maintain a favorable climate, create conditions for the transition to renewable, safe and environmentally friendly sources of raw materials and energy resources.

- the main resource of the country is the accumulated human potential, which requires special attention from the state. At a new stage in the development of the country in the context of the transition to a full-fledged market, it is necessary to create a modern system for the reproduction of human potential and its development.

- step by step it is necessary to reduce the excessive gaps in the level of incomes of workers in agriculture and the sectors serving it, between the level of consumer prices and wages, between the incomes (potential) of individual regions of the country. The use of this approach will allow consolidating the efforts of all sections of society to solve priority tasks and overcome growing challenges.

- we recommend starting from 2023 to widely use, in order to assess and stimulate the activities of the relevant executive structures, the dynamics of such indicators as the Gini coefficient (income inequality index), the growth in the availability of basic goods for the population (at the initial stage, goods and services that are part of a full-fledged "consumer basket"), the ratio of the value of commodity exchange between agricultural products and the industries serving it (for basic goods and services) and other indicators.

- in order to create favorable conditions for ensuring the efficiency of the country's economy and the widespread use of market instruments, it is necessary to adhere to the following market principles, which allowed very flexible use of all economic instruments to deepen the liberalization of the economy as a whole, without prejudice to the deceleration and acceleration of the economy as a whole.

Literature:



- [1]. Development Strategy of New Uzbekistan for 2022-2026.- www . Lex .Uz
- [2]. Uzbekistan on the way to a knowledge-based economy ensuring sustainable economic growth in the 21st century . Analytical note. T., 2008; Yuldashev Sh.G, Zokirova N.K., Khodjaeva M.Ya. The Uzbek model as a factor in the development of the national economy. Monograph. T , Tashkent branch of the PRUE. G.V. Plekhanov, 2016; Yusupov Yu. Economic reforms in Uzbekistan: achievements , problems, prospects Sadriddinov N.S. Reforms to liberalize the economy, develop a competitive environment, investment, and entrepreneurship. Institute for Forecasting and Macroeconomic Stability.- ifmr . Uz .
- [3]. www . spot . uz .
- [4]. State program for the implementation of the Development Strategy of New Uzbekistan for 2022-2026 in the “Year of care for people and quality education” - - www. lex.uz
- [5]. Khamrakulova O. D. INVESTMENTS IN THE DEVELOPMENT OF THE INNOVATIVE ECONOMY OF UZBEKISTAN//Thematics Journal of Commerce and Management. – 2023. – T. 7. – №. 1.
- [6]. Khamrakulova O. D. IMPROVEMENT OF THE MECHANISM OF INVESTMENT IN THE PRODUCTION INFRASTRUCTURE OF UZBEKISTAN //Thematics Journal of Economics. – 2021. – T. 7. – №. 2.
- [7]. Khamrakulova O. D. Problems of Foreign Investment in Regulating the Innovative Way of Development of the Economy of Uzbekistan //TJE-Tematics journal of Social Sciences ISSN. – 2021. – C. 2277-3010.
- [8]. Hamrokulova O. D., Djalilova S. S. ANALYSIS OF INDICATORS OF EFFICIENCY OF LABOUR //Theoretical & Applied Science. – 2020. – №. 2. – C. 749-752.

