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## The Role and Significance of the Economy in the Republic of Uzbekistan

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**Abstract:** In this scientific article, "Competitive economy" means a national economy that grows at an acceptable rate and proportion, in which the necessary conditions are created for the implementation of entrepreneurial activities based on private ownership, and it is developed on the basis of the laws of the market economy that serve to constantly improve the living standards of the population. economic mechanism means an open economic system in which production resources move freely and are regulated by the market mechanism.

**Key words:** Competitive economy, national economy, entrepreneurship, market economy, production resources, open economic system.

### INTRODUCTION

It was noted that the Uzbek model in the development of the economy of our country was developed taking into account the socio-economic potential, the history of our nation's statehood, national religious values and world experience. This model, based on the famous five principles of the supremacy of the economy over politics, the main reforming importance of the state, the rule of law, a strong social policy, and a gradual transition to a market economy, became a reliable foundation of all practical work and a driving force of development during the years of independence as a strategy for building a legal democratic state based on a market economy. .

### LITERATURE ANALYSIS AND METHODOLOGY

The "Development Strategy" of the Republic of Uzbekistan for 2022-2026, put forward by the President of our country Shavkat Mirziyoyev, continues the reforms implemented in our Republic at a new stage of development in order to strengthen the welfare of the people of Uzbekistan and the economic power of our country. From the time we gained independence to the present day, we have been developing the economy and ensuring the well-being of the people based on the above two principles. The development of the innovative economy in the world is rapidly developing these days. The trend of dynamic development of the innovative economy allows more complete satisfaction of consumer demand and a high level of labor productivity in modern sectors of the economy. In the effective development of the economy of our republic, as an important alternative to its traditional resource-based model, the transition to an innovative development strategy aimed at the effective use of human capital in order to ensure the continuous improvement of technology and technology, the results of the end of science, and the life of the society as a whole is gaining particular importance.

Modern information technologies are suitable for innovative and integrated social economy - a flexible, dynamic, effective, constantly updated, innovative development strategy with new content and appearance. It also applies to the innovative and integrated development of industrial sectors, in particular, modern sectors.

Ensuring the competitiveness of our economy is one of the main urgent issues of sustainable development of our country today. For the purpose of consistent national social and economic reform, deepening structural change and diversification, ensuring the rapid development of production networks in new industrial enterprises based on innovative and integrated and high technologies, modernization of operating capacities and accelerating the processes of innovative and integrated modern technical renewal. the experience of prominent core and leading countries in the world shows.

It is necessary to produce competitive products in terms of price and quality in the world market. Currently, the process of diversification of the production of national industrial products and modernization of its modern industries depends on the level of development of the material and technical base of the economic activity of its subjects, because the effective use of the resource potential of enterprises is a condition and the main factor for ensuring economic growth and achieving stability.

## **DISCUSSION AND RESULTS**

The President of the country spoke about independence, which is a natural right for the citizens of Uzbekistan, as well as a supreme blessing, that is, it is the basis of the development of society, the condition of our current and long-term development, the criterion of all our reforms. and finally defined as the overriding principle by which all act. Therefore, the members of the society faced the task of building a state in accordance with world standards in a new and new order, implementing fundamental political, social and economic reforms, creating a legal system that would strengthen them with the law. Because the social relations and processes characteristic of the former socialist system did not correspond to the interests of the new society to be established in the Republic. Ownership of property and its management, factors of production, market mechanism, normalization of the socio-economic life of the state required such serious updates.

In the development of the economy, attention was paid to many areas. Many reforms were also carried out for the development of private property, entrepreneurship and small business. As part of the implementation of the program of measures to ensure reliable protection of private property, small business and private entrepreneurship, to eliminate obstacles to their rapid development, in 2016, the creation of a legislative and normative legal framework and its improvement will continue. was made. In particular, within the framework of the principles of the procedure for granting permits in the field of business activity at all stages of construction, a single rule and requirements were established, requirements for permission to change the appearance of buildings and structures, to re-economize and reconstruct objects, and to transfer residences to the category of non-residential places were introduced.

Guarantees and measures for the protection of the rights of business entities have been strengthened in the implementation of export-import operations, in the implementation of entrepreneurial operations. In order to support business activities and establish small enterprises, loans of 15.9 trillion soums were allocated to small business entities in 2023, and the increase was 1.3 times compared to 2020. Among them, microloans worth 3.3 trillion soums were allocated, credit lines of international financial institutions in the amount of 915,206.7 million dollars were appropriated. The measures taken to create a favorable business environment, comprehensively support and further encourage small business and private entrepreneurship allowed the establishment of nearly 32,000 new small business entities in 2021. It is known that the Republic of Uzbekistan has a high technical potential for energy production from renewable sources, 97% of which corresponds to the share of solar energy. With the decision of the President of the Republic of Uzbekistan dated August 22, 2023 "On the rapid measures to increase the energy efficiency of economic sectors and the social sphere, introduce energy-saving technologies and develop renewable energy sources" in order to effectively use the existing potential 2030 The task of increasing the share of renewable energy sources to more than 25 percent of the total volume of electricity production by 2018 was set. For this, it is planned to build power plants with a total capacity of 5000 MW within 10 years. Significantly increase the efficiency of water use in all

sectors of the economy, introduce drip irrigation technology on an area of up to 1 million hectares and increase the yield of crops grown in them by 20-40%; Achieving a neutral balance on land degradation; The main goal is to increase the average productivity of agricultural food production by 20-25%. It should also be noted that in recent years special attention is paid to the development of family entrepreneurship in our country. It is of decisive importance for the formation of a stable source of income for families and the further improvement of their standard of living.

The Law of the Republic of Uzbekistan "On Family Business" serves as the legal basis in this direction. Reforms aimed at realizing the principle that "when the people are rich, the state will be rich and powerful" are being carried out consistently. For example, in 2018, 91.3 billion soums of credit were allocated for the development of family entrepreneurship and handicrafts, in 2018, this number amounted to 367.2 billion soums. Today, there are more than 8,000 family enterprises in our country.

In addition to providing banking services to the population, commercial banks are actively engaged in attracting them to entrepreneurship, increasing their income, and providing them with work. In particular, the annual interest rate of the loan given based on the jobs created in the projects has decreased. The credit rate for an entrepreneur who creates one job is 9 percent, 8 percent for creating two jobs, and 6 percent for an entrepreneur who creates five or more jobs. The purpose of these projects is to increase the welfare of our people and further improve their living conditions.

No matter where we look, we can see that the role and place of small business and private entrepreneurship is getting stronger and stronger. In 2022, 56.9% of the country's 916 gross domestic product, 4.5% of the industrial products produced will be contributed by small business and private entrepreneurship. At the same time, 78.1% of the total employed population in the economy is working in this field. In 2022, 31,800 small business entities were established. This is 18.1 percent more than in the same period of 2021. According to the report of the World Bank "Doing Business 2023: Reforms to Create Jobs" published on October 31, 2021, Uzbekistan is one of the 190 countries in the world ranked 74th in the country, improving its position by 13 places from last year.

In addition, our country managed to enter the top ten reform countries in terms of creating the most favorable conditions for doing business. The implemented reforms allowed Uzbekistan to become a leader among European and Central Asian countries in terms of improving entrepreneurship and simplifying business conditions. Thanks to the fundamental improvement of the system of state registration and accounting of business entities, Uzbekistan took the 11th place in terms of enterprise registration. The fact that 1.3 times more business entities were established during the 9 months of 2021 compared to the same period of the previous year shows how easy it is to open a business in our country. The people of our country are happy that our First President Islam Karimov is on the path to the development of our country. The effective work started is being continued with great determination. The good efforts of our President Shavkat Mirziyoyev, the fact that he works night after night and day after day is an example to everyone, shows that Uzbekistan is waiting for extremely prosperous days in the future.

Priorities of economic development and liberalization. Maintaining the macro-economic balance, ensuring stable high growth rates of the gross domestic product due to the deepening of structural and institutional changes based on the prepared medium-term programs;

Ensuring balance at all levels of the State budget while maintaining the social orientation of expenses, improving inter-budgetary relations aimed at strengthening the revenue part of local budgets; Ensuring the balance and stability of the national economy, increasing the share of industry and service sector, small business and private entrepreneurship in its structure; Carrying out an active investment policy aimed at the modernization of production, technical and technological upgrading, implementation of production, transport-communication and social

infrastructure projects; Steps are being taken to bring Christianity to a higher level step by step through the aforementioned.

## **CONCLUSION**

Thinking about our future, thinking about our country, decrees, decisions and laws, as well as large-scale reforms, Uzbekistan is aiming for new goals and our country has entered a new stage in its development. These reforms, in turn, are aimed at increasing the well-being and standard of living of the country's population.

As stated by President Shavkat Mirziyoyev in his speech at the solemn ceremony dedicated to the 25 th anniversary of the adoption of the Republic of Uzbekistan, "... ensuring the freedom of entrepreneurial activity and the inclusion of private property in practice has remained a priority in state policy from now on... . I would like to emphasize once again: to be an obstacle to the path of an entrepreneur should be considered as a betrayal of state policy. After all, as noted in the address submitted by the President to the Oliy Majlis, "...our people want to see positive changes in their lives today, not tomorrow, not in the distant future. Our hard-working, kind-hearted, tolerant people have a full right to this."

If our nation is satisfied with itself, its future will improve. The head of state says that improving the welfare of our country and improving living conditions is our main task. It is possible to aspire to political superiority only in a country that has achieved economic prosperity. Without strengthening the economy, one cannot be a political competitor to developed countries on the world stage. At the present time, the state can achieve political strength by providing the people's social standard of living and monthly wages on time.

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