



FEATURES OF THE DEVELOPMENT OF THE INDUSTRIAL NETWORK IN THE CONDITIONS OF MARKET ECONOMY

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ANNOTATION

This article covers the role of the industrial sector of Uzbekistan in the national economy, the peculiarities of its development, the impact of industrial development factors, and elaborates proposals and recommendations for the development of the network.

KEYWORDS: industry, development, structural changes, factors, modernization, value.

DISCUSSION

The role of the industry is great in the socio-economic development of the country and the replenishment of domestic markets with the necessary goods. The industry is radically different from other industries and industries with its added value creation, its role in meeting the needs of the population, and its production locomotive with a high level. The development of the industrial sector will lead to the sustainable development of the national economy. In the industrial sector, the processing of all resources mined, planted, from them will improve the processes of diversification from new ones on account of the increase in the production of new products, assortment and nomenclature. President of the Republic of Uzbekistan Sh.M.Mirziyoyev in the decree "on the strategy of actions for the further development of the Republic of Uzbekistan" adopted... in order to implement the priority directions of modernization of our country and liberalization of all spheres of life, in the priority directions of development and liberalization of the economy, the account of modernization and diversification of the leading sectors of the national economy stands on the issue of increasing its competitiveness [1]. Because modernization and diversification of production is an important condition for ensuring economic security and strengthening it. Accordingly, the national industrial potential is gradually increasing due to the projects that are being implemented consistently.

ANALYSIS OF LITERATURE ON THE TOPIC

With the relevance of industrial development and finally the extent to which it occupies its place in improving the economy, the

researcher has always been in the limelight of scholars. In particular, on the topic of foreign scientists Y.Radianov, R.S.Porter, D.Deveryuks, B.Roberts, R.N.Nureevs created scientific news, local scientists A.Abduhamidov, U.Mukhitdinov, A.A.Artiqov, X.Ishbutaeva, Sh.Nizomova, E.H.Makhmudov, X.D.Khujakulov, M.Isokovs managed to conduct a number of scientific studies. Specifically, A.Ortikov to "a number of opportunities, geographical and economic factors of industrial development in Uzbekistan" [2], M.P.Narzikulov added that "the main focus in the process of developing industrial development strategies is on structural changes" [3], E.H.Makhmudov emphasized the importance of "creating a favorable macroeconomic environment in which the strategic directions of creating conditions for the development of industrial sectors primarily cover such instruments as budget, tax, monetary credit, price and foreign exchange policy" [4], as well as their linkages.

RESEARCH METHODOLOGY, OBJECT AND OBJECTIVE

In the course of the study, analysis and synthesis, induction and deduction, statistical grouping, expert evaluation, scientific abstraction and other methods were widely used.

As an object of research, economic entities operating in the industrial sector of the Republic of Uzbekistan are obtained.

The main objective of the study is to formulate an effective system of management of industrial innovation development, improving economic efficiency in the future.

The practical significance of the results of the study allows to determine the main directions of



development of the industry and its processing sector of the economy of Uzbekistan, as well as effective functioning in the network.

ANALYSIS AND RESULTS

According to the results of the research carried out, the share of industry (with the addition of construction) in the structure of gross domestic product in 2019 accounted for 36.4 percent [5], and in the appeal of the president of the Republic of Uzbekistan Shavkat Mirziyoyev to the Oliy Majlis noted in 2020 that the proportion was achieved in the economic and social that is, "in 12 leading sectors of the industry, modernization and competitiveness programs are being intensively implemented. As a result, economic growth last year amounted to 5.6 percent. Industrial production increased by 6.6 percent, export – by 28 percent" [6]. Such high indicators are the result of the implementation of intertwined strategic programs developed on the basis of deep thought and thorough analysis. It can be said that in 2017-2021, the program for the development

of the industry at a high level, as well as the consistent implementation of network programs related to the modernization of production, technical and technological upgrades, opens new pages in the preparation of competitive products with added value in the activities of all sectors. It is based on this that almost 80 percent of industrial products currently account for their contribution.

In particular, in 2019 year, an increase of 6,6% was recorded in the value-added of the industrial network. Positive impact of industrial production on absolute growth rate of GDP 1,6 f.p. made up. Positive dynamics in the industrial network mainly provided on account of the increase in the value – added of the industrial network of production (processing) to 9.4 % (in 2018 – 7.9 %, in 2017-4.2%). After significant growth over the past two years, there has been a decrease in the volume of added value of the mining industry and open mining processing network at comparable prices by 1.0% (growth in 2018-26.5 %, in 2017 – 17.6 %) (Table 1).

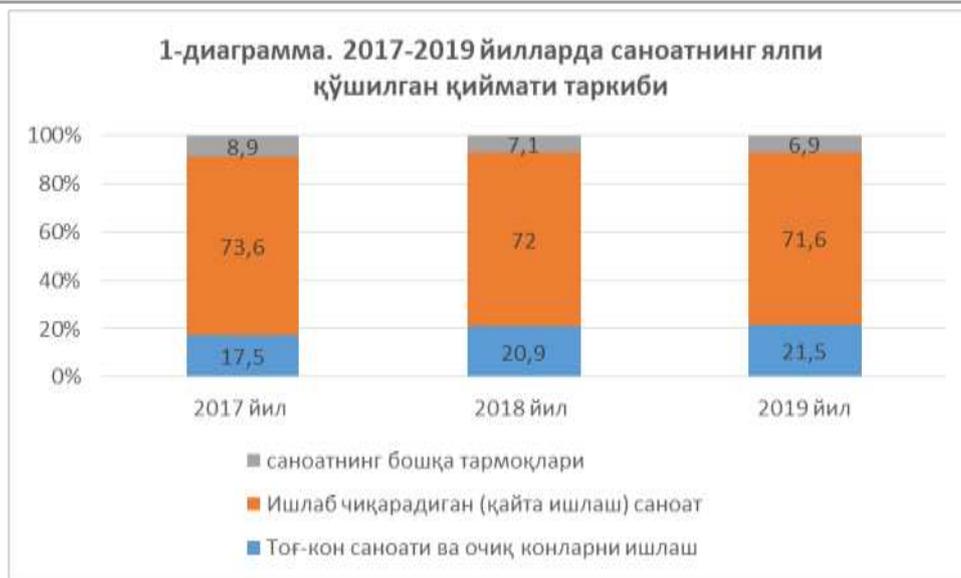
1-table

Growth rates of the gross value-added of the industrial network in 2017-2019 years (in % compared to last year)

	<i>2017year</i>	<i>2018year</i>	<i>2019year</i>
Industry	105,2	110,8	106,6
including:			
mining and open mining	117,6	126,5	99,0
manufacturing (processing) industry	104,2	107,9	109,4
other industries	96,5	103,9	101,1

The above-mentioned areas are subject to constant modernization of production and wide use of scientific achievements. Therefore, the involvement of the most modern techniques and technologies in industrial enterprises remains relevant as one of the priority tasks of today. In the following years, as a result of the formation and step-by-step improvement of the system of regulation of moliviy-economic activity of industrial enterprises, a number of silzhes were achieved in the industry. The results of the analysis showed that despite the

negative dynamics observed in 2019 in the mining industry and the open mining network (a decrease in volumes by 1,0% in comparable prices), the share of this industry in the total value-added composition created by the industry in the impact of price factors was recorded as an increase of 21,5% (in 2018 – Accordingly, the share of the manufacturing (processing) industry in the total value – added structure of the industry decreased to 71,6% (in 2018 – 72,0%, and in 2017-73,6 %). (1-diagram).



Source: data of the State Statistics Office of the Republic of Uzbekistan

Of course, it is important to pay attention to the impact factors on the development of the industry. To date, the main factors for the development of industry are considered to be the following:

- development of building materials industry;
- increase the effectiveness of bank loans in industrial development;
- local raw materials processing;
- wide use of benefits and preferences created within the framework of the localization program and the international industrial fair and cooperation;
- expansion of the scope of export of manufactured products, promotion of export of products of small enterprises.

The need for a more complete study of the level of efficiency in industries arises on the basis of an analysis of the share of industries that constitute gross value added in the industry. A comparative analysis of the share of industries in the gross value-added structure created in the industrial production of our country shows that the structural changes carried out in the production of industrial products have directly resulted in silks with the content of gross value-added in the industry. If we pay attention to the structure of industrial production, we can see that in the past period of independence, the energy, metallurgy, mechanical engineering and metal processing industries are growing at a high pace.

Major sectors of mechanical engineering, building materials production industry and light industry: the systematic expansion of market reforms aimed at ensuring the development of the spinning and textile industry at a significant, constantly high level, important priorities of structural changes in the industrial complex for the coming period. The rate of growth in industrial sectors depends on the scale of domestic and external demand for products created in

these sectors. The sharp expansion and improvement of the consumer credit system in the further increase in the real income and purchasing power of the population of the country is characterized by an increase in the share of domestic demand, which increases the volume of production of products in the industrial complex. Products created in the industry have a favorable connotation of the price in the world market, the slowdown in international economic integration has a positive impact on industrial development and is characterized by an increase in the influence of external factors.

In the structural changes carried out in the industrial complex, a number of positive silences were achieved as a result of the tax-budget policy, assessment and monetary policy of the state, as well as the measures taken to reform the economy as a whole. Reform of industrial enterprises, structural restructuring, further increase in the share of private property in industry, formation of management of Network Enterprises on the basis of market principles play an important role in industrial development. Since 2016, the network structure of the industry in our country has been adapted to the general classification of economic activities (GCEA) in accordance with international standards. Accordingly, the industrial network is grouped into 4 sections of the GCEA: Sector V "mining and processing of open fields", Sector C "Production Industry", Sector D "electricity, gas, steam supply and air conditioning" and Sector E "water supply; sewage system, waste collection and sterilization".

The share of structural changes and sectors in the production of industrial products according to the new structure of GCEA in the Republic shows that in 2010 15.0 percent of the total industrial product in the Republic was created in the processing of mining industry and open fields, 73.8 percent coincided with the processing industry, in 2016 these figures were



respectively 12.7 In 2019, compared to 2010, the volume of industrial products increased by about 1.7 times. If we compare the growth of the pace of production of certain types of industrial products to the level of 2010 year, we can see that in 2019 these indicators have grown several times [7].

In general, structural changes in the industry require the gradual implementation of the following directions:

- further increase the class of real estate owners by deregulation and privatization;

- to abandon the previously formed, specialized industries for the supply of raw materials, in their place to restore the capacity of preparing finished products;

- effective use of material (land, capital) and personal human (labor, entrepreneurship) resources, thereby developing production in an innovative way;

- providing both socio-economic and legal guarantees by the state for the free functioning of the subjects producing industrial products;

- introduction of the experience and technology of modern foreign firms for the penetration of industrial products of Uzbekistan into the world market into the country's industry, creation of a favorable investment environment for this; - existing production experiences, qualified personnel potential and gradual development of all types of property;

- to expand the production activities, to create preferences by the sources of financial appropriation, to attract financial resources to the target areas.

CONCLUSION

The result of the programs developed to increase the share of small and private entrepreneurship in the economy in order to develop processing sectors in the industrial complex of Uzbekistan, as well as the increase in demand for industrial products in the world market, including products of food, light and machine-building industries, ultimately led to an additional increase in industrial production. In conclusion, all the reforms carried out and carried out in the Republic, along with the increase in the country's macroeconomic stability, have a positive impact on the well-being of the population, and their continuation is dictated by the period itself.

In the future, we will offer the following directions that will ensure the development of the country's industry:

- development of scientific-based projects aimed at meeting a wide range of needs, developing investment production;

- improvement of innovative capacity in enterprises, creation of new enterprises requiring knowledge and high technology and production of products that can compete with imported products;

- accelerate the policy of developing countries on the import of modern equipment and technologies that produce industrial products;

- increase the share of private network and small business in the industry.

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