



## Economics of Networks and Fields Characteristics of Economic Development and Liberalization

**A. S. Abdurakhmanov**

*Intern-assistant teacher at Samarkand Institute of Economics and Service at the Department of Banking*

**Abstract:** In this article, the author's comments are presented about the possibilities of developing the economy of our country today, and the specific features of liberalization. In addition, in the liberalization of the economy, special attention is paid to the issues of local production and improvement of the quality of goods.

**Keywords:** Economy, liberalization, competition, product quality.

Continuing institutional and structural reforms aimed at further developing and liberalizing the economy to strengthen macroeconomic stability and maintain high economic growth rates, increase the competitiveness of the national economy, modernize and rapidly develop agriculture, reduce state participation in the economy, protect the right to private property and further strengthen its priority position, stimulate the development of small businesses and private, the issues of active involvement of foreign investment in the sectors and regions of the economy of our country by improving the socio-economic development of districts and cities in a complex and proportional way, investment climate are one of the current topics.

A favorable condition for protecting the rights and guarantees of private property in the direction of "priorities for the development and liberalization of the economy" of strategy development of the country, giving private entrepreneurship and small businesses full freedom, preventing illegal interference of government agencies in their activities, further expansion of the privatization of public property, reducing state participation in charter funds of- special attention is paid to the issues of creating conditions, reducing the participation of the state in the processes of socio-economic development of the country.

In particular, it is reflected in many normative legal documents and bills adopted in Uzbekistan widely discussed in social networks. The Law of the Republic of Uzbekistan of July 27, 2020 on innovative activity, the Law of the Republic of Uzbekistan "On Science and Scientific Activity", the Decree of the President of the Republic of Uzbekistan of January 22, 2018 "On the Republic of Uzbekistan in 2017-2021 Presidential Decree on the State Program for the Implementation of the Strategy of Actions in the Five Priority Areas of Development in the Year of Supporting Active Entrepreneurship, Innovative Ideas and Technologies, by the President of the Republic of Uzbekistan Decree No. PF-5975 dated March 26, 2020, "On measures to fundamentally update the state policy on economic development and poverty reduction", "On the activities of the Ministry of Economic Development and Poverty Reduction of the Republic of Uzbekistan and its system organizations on organization" No. PQ-4653 dated March 26, 2020, No. PQ-4862 dated October 13, 2020 "On additional measures to improve the system of attracting the population to entrepreneurship and develop entrepreneurship" Decisions, such as the decision of the Cabinet of Ministers of the Republic of Uzbekistan dated February 17, 2021 "On the effective organization of the activities of the entrepreneurship development agency under the Ministry of Economic Development and Poverty Alleviation of the Republic of Uzbekistan" are among the mentioned types. The purpose of adopting these documents is to develop business activities, to create



favorable conditions for the creation and development of new entrepreneurs, to help increase the potential and efficiency of the innovation system, and to create a regulatory, financial and informational environment favorable for innovation. It is also to increase competitiveness and productivity in the industry, to encourage the increase of the share of high-tech products, to increase production and to increase the share in the structure of production and export, to expand the use of innovative technologies and advanced management.

Liberalization in the process of transition to a market economy and deepening market relations in our country, democratization of all aspects of socio-political, economic life, acceleration of structural changes in national economy are the main driving force of macroeconomic proportionality. Due to the principles of liberalization, economic growth in our country has been stable for a number of years. In particular, the GDP growth rate last year was 5.3 percent.

Liberalization of the economy in Uzbekistan is carried out through the nationalization and privatization of enterprises, the development of monopolization and competition, the large-scale development of small business and private entrepreneurship in all areas of the national economy. Liberalization improves as a stable and continuous process year after year. Consistent implementation of the "Every family is an entrepreneur" program can be its guarantee. In some periods, the state can "revive" "tired" private and communal property objects, and then sell them to private hands.

According to the State Statistical Committee of the Republic of Uzbekistan, 81% of GDP is produced in the non-governmental sector and 19% in the public sector. The share of the non-governmental sector in the field of gross agricultural products, retail and Catering has approached 100 percent. More than 80 percent of the employed population works in this system.

At the first stage of the transition to market relations in Uzbekistan, retail and catering outlets, housing and household service facilities were sold into private hands, given preferential and free of charge. The goal was to create and strengthen market skills in the population. In the second and third stages, medium and large enterprises were taken out of state control. As a result, joint-stock companies, state-owned companies, associations were created.

Step-by-step liberalization began to give its positive results in the transition period itself. By the mid-1990s, the gross industrial product, and then the gross domestic product, recovered to the level before the market reforms. Even during the years of the global financial and economic crisis, the economy continued to grow. Economic efficiency was ensured due to the deepening of reforms, structural restructuring, modernization of production, diversification, development of small business, ensuring the priority role of private property, gradually reducing the participation of the state in the economy.

In accordance with the action strategy, on September 2, 2017, the President of the Republic of Uzbekistan signed a decree on the liberalization of the currency policy. Its main purpose is to create the same conditions for all market participants, instead of different exchange rates in the market, a single official exchange rate was set at 8100 soums per dollar. Enterprises and residents have the opportunity to freely buy foreign currency. Such a radical approach alarmed even the most knowledgeable economists, and caused them to wonder what would happen next, whether the exact halving of the national currency would not lead to a new wave of inflation. But in February, one dollar rose to 8,188.33 soums, then gradually the soum began to strengthen, and by the end of June, one dollar fell to 7,813 soums. Now there is a trend of turning back from "dollarization" and preferring to receive remittances in the national currency.

This trend may continue and the soum will increase in value. So, why is the soum strengthening its position today, there is no hyperinflation. Because, first of all, the intervention of the Central Bank in the currency exchange has a role in the decline of the dollar rate. This tool is also a direct



influence on the currency exchange rate, which is found in the practice of most countries. This situation has a "neutral" character and does not lead to a sharp decrease in the country's gold and currency reserves. Secondly, the main thing is that the uncertainty in the currency market, the daily and hourly fluctuations of the prestigious exchange rates, increased demand among the population. Now, under the guarantee of the President and the Central Bank, clarity and transparency have been introduced to the currency market. Today, an Uzbek tourist, businessman, student or patient can withdraw the currency of the conversion card from an ATM as cash in any amount while abroad.

The liberalization of the foreign exchange market has a positive effect on foreign trade. Increasing competitiveness in this area, supporting export enterprises, encouraging the export activities of farms, small businesses and private enterprises, improving the system of benefits for them, simplifying customs procedures and shortening the terms of foreign trade operations reduction, transition to the electronic form of documents related to the reduction of foreign trade tariffs and other measures are being taken.

#### REFERENCE

1. Абдурахмонов Қ.Х. Мехнат иқтисодиёти: назария ва амалиёт. Дарслик. Қайта ишланган ва тўлдирилган 3-нашри. - Т.: ЎзФА "ФАН" нашриёти, 2019.
2. Социология молодежи: учебное пособие /Под ред. проф. Волкова Ю.Г. –Ростов-Дон.: «Феникс», 2001, -С.323
3. Юсупова Ш.Инвестиции в человеческий капитал // Журнал «Рынок, деньги и кредит», 2007, № 4. -С.47-48.
4. Журнал «Экономическое обозрение», 2007, № 2. -С.12
5. Ўзбекистонда таълим: талаб ва таклиф мутаносиблиги. Инсон тараққиёти тўғрисида маъруза.-Т.: БМТ тараққиёт дастури, Иқтисодий тадқиқотлар маркази, 2008, -Б. 41.