

Analysis of Trends in the Development of Clusters in the Agro-Industrial Complex of Uzbekistan and the Current State of the System

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Annotation: In this article, it is known that agro-economic relations and agro-industrial markets play a special role in the development of the world economy. Therefore, it is important to analyze the indicators of targeted development of the agro-industrial sector on a large scale and regionally. The article analyzes the indicators of future development of the agro-industrial market of Uzbekistan and presents their clusters. The role of clusters in the agro-industry has also been studied by economists. The country has developed scientific findings and recommendations for further improvement of the agro-industrial sector.

Keywords: cluster, agro-industry, investment, agro-technologies, agro-industrial complex, agrarian policy, agro-industrial integration, agriculture, mechanization.

1. Introduction.

The role of the agro-industrial complex in the economy of Uzbekistan forms a large part of the country's food security, its export potential and the country's competitiveness. Therefore, the agro-industrial complex is one of the priority sectors of the national economy of Uzbekistan. The basis of the country's agro-industrial complex is agricultural production. Its distinctive features:

- The main means of production are land and other natural resources, in which working hours are determined by the season;
- With the help of agricultural production, the population of the country is provided with food necessary for human life, and industry is provided with raw materials;
- Entrepreneurs engaged in agriculture do not have the same conditions as other economic entities of the country and their location differs from each other geographically. It is known that the agro-industrial complex is a set of sectors of the economy that are interrelated with economic relations in the production, distribution, exchange and consumption of agricultural products. It includes industries that produce agricultural raw materials, process, store and sell them, and produce and service agricultural inputs.

In this complex, about 80 sectors of the economy are directly or indirectly involved in various stages of production and turnover.

The agro-industrial complex is an economic system of complex, diversified industry consisting of three main directions.

In the first area, the means of production for the agro-industrial complex will be created (machinery, mineral fertilizers, repair, construction, etc.). This sector accounts for 10 percent of final output, 15 percent of fixed assets, and 20 percent of the workforce.

The second direction is aimed at the mass production of agricultural products. Agricultural products supply products to 60 industries. Each agricultural worker provides another 5 people with external work. This sector produces 50% of the finished product, 65% of fixed assets and 60% of the number of agricultural workers are stockpiled.

The third direction includes the purchase, transportation, storage, processing of agricultural raw materials, as well as the sale of finished products. This sector includes food, dairy and meat, light (textile, leather and fur, footwear), pet food industry, as well as procurement and trade organizations. This sector accounts for 40% of the total volume of finished products, 20% of fixed assets and the number of agricultural workers.

One of the main conditions for the impact of agribusiness on the state economy is the need for balanced development in all three areas. However, in foreign countries, sometimes in agriculture, the bulk of

the finished product is taken as a prerequisite for the formation of a third sector. In the United States, for example, this sector accounts for up to 80% of the retail value of a product. In Western Europe - no more than 75%, in Uzbekistan - no more than 40%. This led to the perception that the overseas market did not regulate relations in agricultural production and was the basis for special assistance to the second sector by the governments of different countries.

2. Literature review

E.L. Minina rightly notes that the Federal Law “On the Development agriculture”, regulating certain issues of the agricultural market products, raw materials and food, in fact, regulates certain issues in the sphere agro-industrial complex, that is, a wider range of relations than agriculture [1].

Exploring foreign experience of legislative regulation of the agro-industrial complex, it should be recognized that in the United States, according to federal law, transportation, storage, and distribution of food products are classified as agricultural activities. At the same time, in the United States, only entrepreneurial activity is recognized as agricultural activity. State laws also include related agricultural activities: sorting, packaging, cleaning, drying, etc., up to the final sale of agricultural products to the consumer. This does not include industries such as construction and equipment manufacturing. Agricultural even agritourism is recognized as an activity, which cannot but be recognized as a positive experience of regulation [2].

One should agree with the point of view of S.N. Shishkin that one of the main goals of state regulation of the economy is rational management, by which the author proposes to understand the effective and optimal implementation of economic activities in the context of global problems facing before humanity, aimed at maximizing the satisfaction of social needs at minimum cost [3].

As for administrative and legal regulation as a legal category, V.S. Chetverikov, for example, it is defined as a certain algorithm consistent impact of legal methods and means to achieve goals regulation of the behavior of participants in managerial relations in the field of activity executive authorities, state administration [4].

J. Keynes (1883–1946), macroeconomics cannot always be in a state of balance, and the task of the state is to maintain a stable effective demand while maintaining the freedom of decision-making by individual economic units, actively intervening only at times of peak fluctuations in demand in order to ensure public interests and limiting the aspirations of economic entities get maximum profit at any cost [5].

As the most prominent administrative expert Yu.A. Tikhomirov rightly notes, “the economic order is the stronger, the more the state limits its activities by fulfilling only the cardinal tasks of the development of society and encourages private initiative. Excessive government intervention in economic life suppresses private property, deprives competition of dynamics, minimizing efficiency of the market economy”. In our opinion, the intervention excessiveness can be determined on the basis of an analysis of specific circumstances and specific socio-economic conditions. As the scientist notes, “no one can determine once and for all the rational limits of state participation in the economic life. Any country in each given period must decide the question under consideration, based on specific economic conditions” [6].

V. D. Melgunov refers to the latter category, in particular, government orders and contracts, tax and depreciation policy, implementation of measures targeted impact on the development of specific industries. In details the essence of the forms and methods of administrative and legal regulation of the agro-industrial complex and the position dissertation will be highlighted below [7].

When developing mechanisms for the administrative and legal regulation of the agro-industrial complex, determining its forms and methods, it is necessary to constantly focus on two the main goals of this type of management activity are to ensure food security and improving the quality of public administration. The implementation of the above designated functions of public administration takes place in specific forms of management activity, which are “external and stably fixed manifestations of impacts in the process of activity executive authorities, state administration and local self-government for the formulation of goals and the implementation of the functions and tasks of public administration” [8].

“At the same time, the concept of state influence on the market also differ in addressing the issue of the intensity of such impact and the activity of state intervention in market processes. In this sense the

choice of approach in relation to agriculture and the peculiarities of its legal regulation are closely related to the identified specifics of the industry” [9].

Applied to agro-industrial complex such are natural and climatic conditions, use as the main resource of the earth, the diversified nature of enterprises, high capital and energy intensity of the agricultural sector, as well as, speaking of the Russian agro-industrial complex, protracted crisis phenomena [10].

3. Research methodology.

In order to ensure the financial sustainability of the agro-industrial sector, economic research methods such as data collection, analysis, synthesis, and logical thinking have been widely used to increase the number of agricultural clusters and attract investment.

4. Analysis and discussion of results.

The complex system of organizational and economic mechanism of the innovation process in the agro-industrial complex consists of organizational and economic blocks. The organizational block includes: organization of innovative activity (innovation structure), the introduction of innovation into production. The economic block includes: planning of innovative activities, financing and lending to enterprises and organizations involved in all stages of the innovation process, distribution and implementation of innovations in production, taxation and insurance of enterprises implementing innovations, promotion of innovation processes, innovation pricing of products.

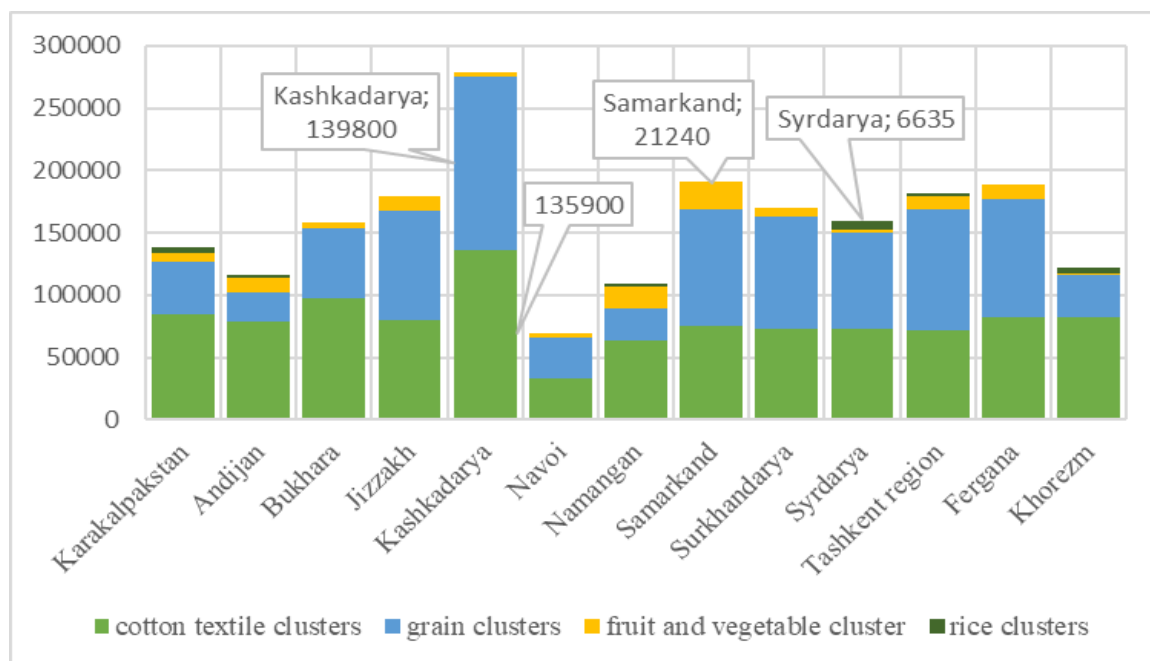


Figure 1. The share of cluster types in the Republic of Uzbekistan by regions as of 2021 [11]

The share of cluster species in the regions of the Republic of Uzbekistan As of 2021, the highest share of the cotton textile cluster is in Kashkadarya region with 135,900, and in the grain cluster in Kashkadarya region with 139,800. Samarkand region is leading with 21,240 fruit and vegetable clusters, and Syrdarya is leading with 6,635 rice clusters.

In particular, the amount of budget allocations to agriculture in the United States today is six times higher than the amount allocated to farmers. In 24 developed countries of the world, agricultural subsidies account for 75% of the sector’s production. In Sweden, the subsidy is 75% of total spending, in Norway it is 74%, and in Japan and France it is 72%. According to some economists, the mechanism of attracting and motivating more employees to the innovation process is not organized enough.

It is well known that in the previous system we were accustomed to solving many problems at the expense of the dedication of the villagers. But today it is not possible to go far with self-sacrifice alone, it is

necessary to develop and introduce a mechanism to attract those working in the field and those involved in the innovation process. This requires economic growth, combining it with an innovative mechanism, not only the full use of available resources (land, water, labor), but also the use of high-tech capabilities (achievements of seed breeders and microbiologists, mechanical engineering, soil science, economists, etc). There should be more and more scientific solutions aimed at improving the provision of fixed assets to agriculture.

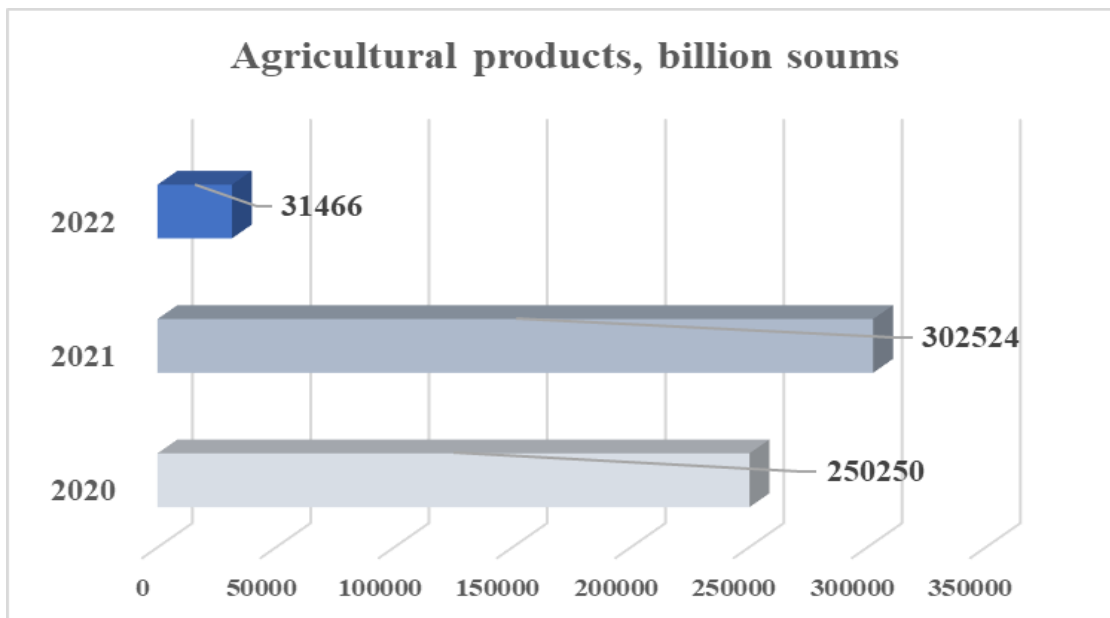


Figure 2. The data for 2000-2009 are given by classification OKONH. The data for 2020-2022 are given taking into account the updated data [12]

In the picture above, agricultural production is expected to reach 302,524 billion in 2021. soums was the most profitable year.

This, in turn, should increase the competitiveness of the product in the domestic and foreign markets. In the context of more adaptation of the economy to market relations, overvaluation of capital as a factor of production is not a burden. In developed countries, it does not matter whether there is start-up capital to finance innovative projects. Because the return of the funds directed to them and the profitability of the project is the main factor in starting it. We attach great importance to the capital formed in the direction of investment, because in the conditions of uncertainty in the economy, the availability of capital is a more important factor. The importance of this factor is still not given enough attention. There is talk of a larger agricultural enterprise and its development in general, but the lack of funding for specific projects aimed at increasing the efficiency of available resources and the production of competitive products is not mentioned, although the possibility of raising capital to implement this factor is not taken into account.

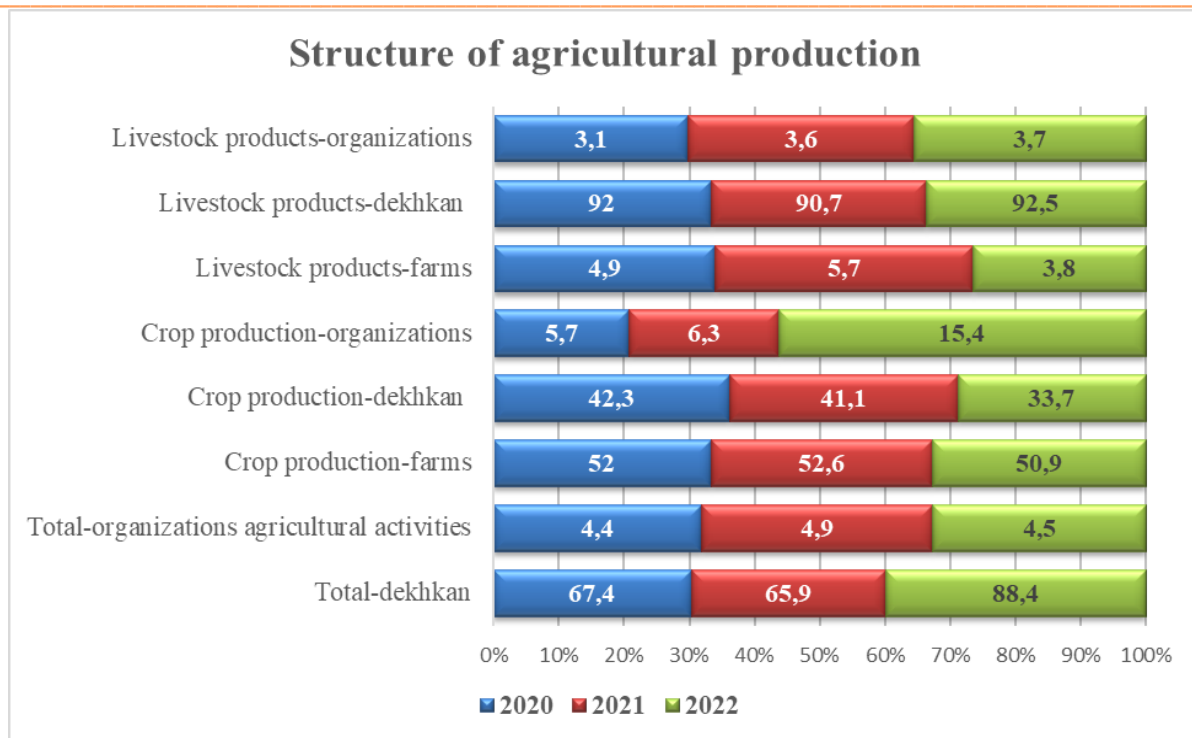


Figure 3. Data for 2020-2022 are given taking into account the updated data (given as a percentage) [13]

World experience shows that the application of a program-targeted approach allows governments of many developed countries to effectively use public resources to encourage research and production of innovative products.

Our country has created a regulatory framework that monitors the innovation process from beginning to end. Regular review of benefits will allow the state not only to stimulate innovation in priority sectors, but also affect the structure and number of scientific and innovative organizations, and most importantly, the structure of production [14].

A distinctive feature of US agricultural policy is the active introduction of innovations at all stages of agricultural production - mechanization, breeding, chemicalization, regional specialization and the use of biotechnology. This approach has allowed to significantly increase production and improve quality by reducing the amount of resources used in agriculture (land, labor, chemicals, machinery, seeds, livestock). At the same time, scientific and technological progress has been manifested not only in the modernization of production, but also in new organizational and managerial methods, modern methods of business, various types of entrepreneurship, various measures and mechanisms of state influence.

5. Conclusions and suggestions.

An analysis of the experience of the mechanism to stimulate the sensitivity of agricultural production to innovations showed that the management of scientific and technological development in the agro-industrial complex of developed countries is carried out with financial support from the state and through agricultural laws and regulations. Mechanisms for the introduction and promotion of scientific and technological progress have been created and are effective, covering all stages of scientific support of agricultural production - the emergence of scientific ideas, the transformation of scientific ideas into technologies, the transfer of new technologies to users for agricultural production.

The analysis of the results of agricultural production and government measures in industrialized countries showed that a combination of the following factors should be used for agricultural development: effective public administration to protect local agricultural producers, technical and technological modernization of industry, the trend of innovative technologies, financing of the agro-industrial complex by the target budget, provided that the state support of agricultural production is strengthened, the allocation of funds for consumption and strict control over the order of qualified management.

This is especially evident in the case of economically developed countries. This will allow them to maintain a balance in the domestic food market on demand and supply, easily access leading world markets and attract national producers. The experience of countries with developed market economies shows that science, high technology, active innovation are the primary driving force of all economic life, and the main growth of agricultural production is ensured through the implementation of scientific and technical achievements.

Along with the development of the strategy of the agro-industrial complex, with the focus on the problems of financial stability, the following mechanisms are proposed to address them:

- Strengthening the rights of farmers to prevent land grabbing;
- Formation of market relations in agriculture and resource markets for the industry;
- Introduction of paid water use;
- Adequate supply of farms with mineral fertilizers, chemical plant protection products, fuels and lubricants;
- Formation of a complete and open database on innovative resource-saving technologies, new varieties, biological methods of plant protection;
- Poor condition of the road transport network, the establishment of logistics companies;
- Graduation of qualified specialists in the field of agriculture;
- Formation of knowledge and information on markets for the sale of agricultural products (exports) and sales prices (wholesale and retail);
- In the widespread introduction of clusters, to determine the level of climate conditions, land and soil fertility, water supply in the regions and to establish the development of relevant agro-industrial sectors in these areas.

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