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FACTORS OF INNOVATIVE DEVELOPMENT OF THE AGRARIAN SECTOR IN THE CONTEXT OF INSTITUTIONAL REFORMS IN UZBEKISTAN

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Annotatsiya: Maqolada agrar sohani innovatsion rivojlantirishda klaster tizimini qo’llashning O‘zbekiston sharoitida o‘ziga xos jihatlari yoritilgan hamda, uni keng joriy qilishda hukumat tomonidan yaratilayotgan chora-tadbirlardan oqilona foydalanish borasida nazariy jihatdan asoslangan ilmiy taklif va amaliy tavsiyalar berilgan.

Kalit so‘zlar: innovatsiya, klaster, fermer xo‘jaligi, raqobatbardschlik, eksport salohiyati, import salohiyati, modernizatsiya.

Annotation: The article presents theoretically-based proposals and recommendations on the innovative development of the agrarian sector in the
context of the cluster system in the Republic of Uzbekistan and the rational use of government-led measures in its widespread implementation.

**Introduction:** Sustainable development of agriculture through the implementation of institutional reforms in the agricultural sector, effective utilization of farming and livestock activities, increasing productivity and competitiveness of production, and enhancing export capacity are being undertaken in Uzbekistan.

Of course, innovations have a great role. Transition to innovative development not only solves the problems accumulated in the agrarian sector of the Uzbek economy, but also solves the problems of agro-processing industry. Innovative activities are key factors in the development of agriculture and their maximum use is the only way to ensure sustainable development of agro-industrial complex in our country.

In the context of growing dynamics of socioeconomic changes and globalization of the global economy, the country is rapidly moving to an innovative way of agricultural development in the short run, with a high-quality new information- it will need to restore the technological base.

**Materials and Research Methods.** The article uses scientific conclusions, abstract logical, comparative and system analysis, methods of analysis and synthesis, methods of induction and deduction.

The necessity of the transition of Uzbekistan to innovative development, undoubtedly, is one of the key priorities of all levels of government. Transition from the technological degradation of the agrarian sector of the Republic's economy to industrial production is a very difficult task.

According to the estimates of various experts, at present, in the US, where the indicator is more than 50%, only 4-5% of the innovative potential of the agricultural economy of Uzbekistan is used. Scientific and technological progress and application of advanced technologies together with a complex of organizational and...
economic activities serve as a basis for further development of agriculture in our country.

In particular, the Strategy for the five main priorities of development of the Republic of Uzbekistan for 2017-2021 launched a qualitatively new approach to the strategic planning system of the country's state and public development perspectives.\textsuperscript{13}

The aim of the strategy is to radically increase the effectiveness of reforms in the country, to create conditions for the full and dynamic development of the state and society, modernize the country and liberalize all spheres of life.

Particular attention is paid to the modernization and accelerated development of agriculture. The most important is the urgency of deepening structural transformation and further development of agricultural production, further strengthening of food security of the country, expansion of production of ecologically clean products, considerable increase of export potential of the agrarian sector.

Discussion and results. Studying best practices of the world's leading agrarian sector in the modernization and accelerated development of agriculture, including the creation of intensive varieties of breeding areas, the use of innovative agro-technologies in the cultivation of crops, especially in the processing of agricultural products experiments gave the anticipated effect.

The following figure shows the dynamics of enterprises and organizations producing innovative products, works, services in the latest years( Figure 1).

\textsuperscript{13}Decree of the President of the Republic of Uzbekistan dated February 7, 2017 N UP-4947
Figure 1. Enterprises and organizations producing innovative products, works and services in the Republic of Uzbekistan for the period 2010-2017\textsuperscript{14}

The number of enterprises and organizations producing innovative products, works and services has grown 7.5 times in the period of 2010 to 2017, from 289 to 2171. For the first time we can see that the number of enterprises that have opened the production of innovative products, works and services for the first time increased by 1007.

\textsuperscript{14}Based on data from State Committee of Uzbekistan on statistics stat.uz
The following chart analyzes the dynamics of innovative products, jobs, services, and costs (Figure 2).

**Figure 2. Dynamics of innovation products, works, services volume and expenditures in the Republic of Uzbekistan for 2010-2017**

The volume of innovative products, works and services reached 18543.3 billion UZS in 2017, 1.7 times more than in 2016, 14 times more than in 2008. Innovation costs decreased by 8 times in comparison with 2008, and by 1.6% compared to 2016. In this regard, high efficiency is achieved through the use of innovations in the efficient use of opportunities in the agrarian sphere and the use of clusters to increase the competitiveness of the industry.

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15 Based on data from State Committee of Uzbekistan on statistics stat.uz
Numerous local and foreign literature studies have been made on clusters. The cluster's approach to determining the nature of the cluster is unclear and evolutionary. The fundamentals of the theory of cluster are the work of Austrian and American economist, political scientist and sociologist Y. Shumpeter. The term "cluster" is a "cluster" by Professor M. Porter, a Harvard Business School of the 1980s, and describes as follows: "Cluster - geographically friendly partners and a common and mutually exclusive are complementary organizations" [3].

In contemporary economic literature, cluster is characterized by a network of specialized suppliers serving as an alternative to sectoral approach, based on the regional concentration of mainstream manufacturers and consumers connected to the technological chain and serves as an alternative to sectoral approach [2]. In this case the cluster has the features of mutual competition among its participants, cooperation of participants, the formation of unique powers of the region, the formation of enterprises and organizations in a particular area.

Analysis of Cluster Approaches by R.R. Tochchukov allowed to distinguish two main clusters in the cluster [6]. First, companies in the cluster need to be connected in the same way. In addition, the connections are not only horizontal, but also vertical. Second, clusters are geographically linked groups of companies.

Studying the theoretical aspects and practical significance of clusters, we believe that the experience of developed countries should add another characteristic to general terminology: this process should not only involve companies in a particular industry (relevant sectors), but also government agencies and academic institutions.

In our opinion, this component is described as organizations that combine different spheres of activity, including all production stages, from processing to production, from agricultural production to single-source reproduction, and has synergistic effect. It is important to determine the essence of the agribusiness industry.
Thus, the agro-industrial complex should be understood as the cooperation of the territorial industrial association, agro-industrial complex, financial institutions (e.g., commercial banks), energy supplying agencies and research institutions, their combination of economic resources and strengthens the competitiveness of industries and regions and economies.

Although creation of agrocluster organization is a very complex and painful process, it is one of the most reliable ways to reduce labor costs in the regions of Uzbekistan, to reduce the value of existing resources, to the number of capital investments in unit production, and to reduce the labor costs of the workers.

One of the main advantages of the cluster approach for the development of the region's economy is to reduce the role of administrative factors - strengthening the role of economic factors. The role of regional authorities is only at the initial stage. For example, in the organization of new clusters, taking into account the interests of this region, the role of the provincial administrations in the selection of promising clusters is high. Subsequently, the role of regional authorities decreases, and the laws and factors of market economy are the locomotives.

Agroclusters are based on three specifications, as shown in Figure 3 below.
Figure 3. Agrocluster properties

When agrocluster are organized, there is a possibility for regional specialization and localization of agricultural production, availability of links between business entities of the sector, availability of products from various agricultural products. The manufacturer is characterized by the formality of technological relationships.

In 2018, 17 cotton-textile clusters were set up in the country, with a total area of 140901 hectares. Starting from March 2019?, the Cabinet of Ministers adopted a resolution "On Additional Measures for Organizing the Activity of Cotton-Textile Production and Clusters", which was attended by 13 heads of 17 cotton-textile clusters, cotton-cleaning plants and 68 cotton processing centers were transferred to these clusters on probation terms for a period of 5 years.

The first cluster in the Khorezm region of Uzbekistan was organized in Shavat- textile direction in Shavat district. This cluster includes a whole system of seeding, growing, harvesting, processing, deep processing, delivery of finished products to consumers.

In 2019, another three clusters will be set up in the Yangibazar, Bogot and Hanka regions of Uzbekistan. For these purposes 2596 hectares of 1096 farming entities are allocated, with a total area of 34.7 thousand hectares and 42% of the total area under cultivation of cotton in the region. In the long term by 2024 agro-clusters with other specializations will be created, including milk/dairy, goat, fruit and vegetables, beans, and the level of production, processing and production of finished agricultural products, will increase.

Summary

It is important to develop all necessary and sufficient regional legislative basis regulating the process of creating and developing clusters in innovative

\[^{16}\text{author's development}\]
development of the agrarian sector and regulating the legal framework for cluster policy in the region.

Proper selection of crops based on local properties, adequate supply of organic fertilizers, rational use of scientifically-based quantities of mineral fertilizers and pesticides, creation and development of resource-saving processing systems should be carried out.

The use of modern methods of calculating the optimal combination of crops and crops, optimization and improvement of their composition (including economic and mathematical modeling), and the use of environment-friendly resource-saving technologies for the cultivation of agricultural crops should be applied.

It is necessary to create a new product line for deep processing of agricultural raw materials and expansion of products range.

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